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CIS Government Representatives Meet Kebich; Union Viewed

MK0104122693 Moscow KOMMERSANT-DAILY in Russian 1 Apr 93 p 9

[Marat Salimov report: "Intergovernmental Meeting in Minsk. Economic Union May Be Reduced to Russia, Belarus, Kazakhstan"]

[Text] A trilateral economic union comprising Russia, Belarus, and Kazakhstan may be expected to be set up in the near future. This is a conclusion that observers are inclined to draw when analyzing the results of yesterday's deliberations on the proposals made by Belarusian Prime Minister Vyacheslav Kebich at a meeting of representatives of CIS governments in Minsk. Observers believe that his initiative, along with the drastic toughening of Russia's financial policies with regard to the republics of the former USSR, proves that the idea of an economic union comprising all the CIS countries is in crisis.

The meeting of representatives of CIS governments in Minsk was of interest owing to the proposal made by Belarusian Prime Minister Vyacheslav Kebich for the creation of an economic union within the CIS to comprise Russia, Belarus, and Kazakhstan. That such a union can become a reality is confirmed by recent pronouncements of the Russian and Kazakhstan presidents on the need for closer unification in line with the principles of a customs and economic union. Kebich said it would not run counter to the existence of the CIS. Experts, however, view his proposal as yet another proof of the inviability of an economic union made up of all the CIS countries. This conclusion is confirmed by the actions of the Russian Government, which has been toughening its credit and monetary policy with regard to the CIS countries. Among other things, a directive by Russian Finance Minister Boris Fedorov was sent yesterday for official distribution calling for draft decisions to be drawn up for approval by the government and the Supreme Soviet regarding the procedure for, and the limits of, granting ruble credits to the governments and national banks of the republics of the former USSR. Further to the directive, until decisions on the amount of credits to be granted are made, credits will be issued to the extent of the funds the former USSR republics have on their correspondent accounts at the Russian Central Bank. The Russian Government (it was represented at the meeting by Aleksandr Shokhin) appears to have a positive view of the trilateral union concept: In Minsk, a bilateral agreement was reached deferring the imposition of customs duties by Russia on raw materials delivered to Belarus, including crude oil.

Russian Navy Denies Intent To 'Sabotage' Baltic Traffic

WS0204094993 Tallinn ETA NEWS BULLETIN in English 1722 GMT 1 Apr 93

[From 1 April RAAHVA HAAL, p. 1]

[Text] Thursday, April 1—Neither the Russian government nor the Baltic Fleet intend to sabotage marine traffic in the Baltic states' territorial waters in order to improve the competitiveness of the ports in St Petersburg and Kaliningrad, head of the Baltic Fleet hydrography service Yuriy Sidorov assured. The Russian Defence Ministry lacks money for adequate servicing of the seamarks and lighthouses located in the territorial waters of the Baltic states. 77.6 million roubles were allocated for maintaining the Estonian navigation equipment last year, the amounts for Latvia and Lithuania were respectively 39.5 and 6.3 million roubles, Sidorov said. "The Baltic states themselves have displayed no intent to pay for the hydrography services and seem to be intending to force Russia to finance marine traffic safety in foreign waters. High customs tariffs are set for imported hydrography equipment as happened in Latvia," Sidorov claimed.

ITAR-TASS Carries Press Review for 2 Apr

LD0204054193 Moscow ITAR-TASS in English 0532 GMT 2 Apr 93

["Press Review"—ITAR-TASS headline]

[Text] Moscow April 2 TASS—"Public Opinion Leaders Make an Estimate of the Russian President's Successes and Setbacks in March" is the headline under which NEZAVISIMAYA GAZETA (INDEPENDENT NEWSPAPER) today carries the findings of a survey carried out through with the use of the method of telephone interviews with 400 public opinion leaders: people's deputies—members of the Russian parliament, the heads of ministries and other federal executive power bodies, the leaders of political parties, directors of state-run enterprises and non-state businesses—private, joint-stock and joint-venture enterprises and commercial banks, members of the supreme military command, media chiefs, scientists and cultural figures.

According to the opinion poll taken by the Vox Populi service at a request of NEZAVISIMAYA GAZETA from March 3 to 12 1993, six per cent of respondents regarded preparations for a referendum as Yeltsin's big success while seven per cent reckoned the referendum preparations among setbacks and errors.

A positive view was expressed more often by representatives of the executives authority and the enterpreneurial circles while a negative view was taken mainly by the leaders of political parties, military leaders, and media chiefs.

The Russian Government newspaper ROSSIYSKIYE VESTI carries on a discussion of whether the president by staying within the "constitutional field" can pursue an active legal policy. The newspaper points to the contradictory nature of the position of the president who, on the one hand, must "stand on guard of the observance of the Constitution and at the same time he must promote a new fundamental law, building a new statehood and taking care of the country's future".

Under the rubric "The Opinion of Independent Lawyers", ROSSIYSKIYE VESTI quotes lawyer Vladimir Guliyev as saying that "the congress has done everything to guide the head of state towards the reefs".

The press summarises an address by the Federal Information Centre (FIC) of Russia to journalists, urging them to view the 9th Congress resolution "On Measures To Ensure the Freedom of Speech in State Television and Radio Broadcasting" as an attempt to monopolise mass media. The address was circulated by FIC chief Mikhail Poltoranin and his deputy Sergey Yushenkov at a press conference in Moscow on April 1.

In the opinion of Viktor Gerashchenko, chairman of the Central Bank of Russia, there is a lack of a realistic approach to the estimate of the actual situation in the country based on taking into account the sum total of factors in the transition to a market.

In a detailed letter, published in ROSSIYSKAYA GAZETA, he addresses Prime Minister Viktor Chernomyrdin and replies to remarks by Vice-Premier Boris Fyodorov about the draft "basic orientations for monetary regulation in 1993" worked out in the Central Bank.

The Central Bank chief emphasises that "the most acute shortage of circulating assets, the non-adequate cuts in budget expenditure, including those for social needs, compelled the bank to go to an increase in the budget deficit, and the nominal incomes of the population and the money mass in circulation. Otherwise, the production slump and social tension would have acquired an explosive character. However, an acceleration in the rate of inflation has been the price for the move".

"The budget deficit is the main cause of the emission, short and long-term inflation and, it means, a decline in investments and a threat of the de-industrialisation of the country," Gerashchenko writes.

"However much some members of the government would like to belittle their role in generating inflation, it was precisely last year's credits to the government that played a decisive role in the emission growth. The government practically borrowed resources from the Bank of Russia to an amount that is more than twice as large as the endorsed budget deficit," Gerashchenko points out.

KOMSOMOLSKAYA PRAVDA runs an exclusive interview with Croatian President Franjo Tudjman who touches upon the situation in the former Yugoslavia and a mediatory role which Russia could play in talks between Croatia and Serbia.

ROSSIYSKIYE VESTI runs individual portions of a government commission report on issues concerning the dumping of radioactive waste in seas. "The totalitarian regime concealed lots of things, including facts and porblems connected with the dumping of radioactive waste in the seas that wash our territories," the newspaper writes.

"Servicemen have the right to participate in a referendum on a par with all citizens of Russia," emphasises KRASNAYA ZVEZDA (RED STAR), pointing out that any attempts to somehow limit servicemen's participation in the referendum would be unlawful. The newspaper carries a dispatch about the stay of Russian Defence Minister Pavel Grachev in the Leningrad military district.

Clinton Tells Newspaper Editors of Aid Package for Russia

LD0104205993 Moscow ITAR-TASS in English 2035 GMT 1 Apr 93

[By ITAR-TASS correspondents Pavel Vanichkin, Andrey Loschilin]

[Text] Washington April 2 TASS—U.S. President Bill Clinton has addressed members of the U.S. Society of Newspaper Editors in Annapolis, Maryland, on Thursday [1 April], saying that there is nothing better to promote freedom, security and prosperity on the planet than the peaceful revival of Russia.

Clinton said he was going to offer a package of aid to Russia at the forthcoming U.S.-Russian summit scheduled on April 3-4 in Vancouver. According to Clinton, this package will include programmes of aid to modernize Russian oil industry and develop minor enterprises.

Clinton said that this was not an act of charity, but an investment into American own future. He noted that efforts made in this direction would entail new expenditures, but they would be compensated in full, ensuring our security and prosperity.

Clinton pointed out that the new package would be addressed not to the government, but primarily to common people of Russia. He said that it was not a matter of a government of one country supporting a government of another country, but a matter of the American people's aid to the people of Russia.

Further on Clinton Annapolis Speech

LD0204112793 Moscow Russian Television Network in Russian 1000 GMT 2 Apr 93

[Correspondent F. Tavrovskiy report; from the "Vesti" newscast]

[Text] Addressing the U.S. Society of Newspaper Editors in Annapolis yesterday, U.S. President Bill Clinton made a one-hour speech devoted to Russia. We cannot guarantee the future of Russian reforms. Moreover, we know perfectly well that the future history of Russia will be written by Russians themselves. Nonetheless we must do all we can to assist transformations in Russia, the President said.

Bill Clinton gave a high assessment of Boris Yeltsin's actions. At the Vancouver summit I am going to assure the Russian leader that our aim is to conclude without delay an alliance with Russian reformers," the President emphasized. [Video shows Clinton delivering address.]

Yeltsin To Fly to Vancouver 2 Apr; Schedule Announced

OW0104165393 Moscow INTERFAX in English 1635 GMT 1 Apr 93

[Following item transmitted via KYODO]

[Text] According to reliable sources, on April 2 at 22:30, President Yeltsin will leave for Vancouver (Canada) for talks with the U.S. president. The preliminary schedule of the meeting is as follows: on April 3, at 8:30 local time, Yeltsin will arrive in Vancouver and meet with Canadian Prime Minister Brian Mulroney. Then he will have talks with President Clinton in the presence of a small team of advisers. At the end of the first day, President Clinton will give a dinner in honor of President Yeltsin. The second day will be mostly devoted to broader talks between the presidents' teams, involving, on the Russian part, vice-premiers Aleksandr Shokhin and Boris Fedorov, Foreign Minister Andrey Kozyrev, the Russian ambassadors to the U.S. and Canada, and the president's top aide Viktor Ilyushin. The Russian and American presidents are also expected to give a joint press conference.

Summit Previewed; Aid Package Viewed

LD0104214093 Moscow Ostankino Television First Channel Network in Russian 2000 GMT 1 Apr 93

[By A.Zarayelyan; from the "Novosti" program]

[Text] On Saturday and Sunday [3 and 4 April] the first summit of the Russian and U.S. Presidents will be held in Vancouver, Canada. Bill Clinton is getting ready for the forthcoming summit in an energetic manner typical of him. He is acting in a characteristically American style—the package of economic aid to Russia has not yet been handed over to the Russian leader, yet the advertising of that package is already in full swing. More specifically, as he spoke today at the U.S. Naval Academy in Annapolis, the American President devoted the greater part of his speech to the issues he was going to discuss with Boris Yeltsin.

In Clinton's opinion, knocking the Russian economy into shape will be the top priority in the discussion between the two countries' leaders. It has been made known that the measures envisaged by the package will be mainly directed at bringing the Russian fuel and energy system out of crisis and also at supporting our private entrepreneurship. Money from several sources will be invested in this field. That will include, first and foremost, the American money allocated by the Congress, totalling several hundred million dollars. Then, the World Bank credits to Russia will be given on altered conditions—its board of directors voted in favor of this decision today. A further source is the European Bank for Reconstruction and Development and then the aid that the G-7 countries are going to grant—these countries' foreign ministers are to hold a scheduled meeting in Japan on 14-15 April. The total aid—this is still an approximate figure—amounts to $30 billion.

The most interesting thing is that at his meeting with members of Congress today, Bill Clinton insisted that American aid to Russia is not alms, but an investment of money in a zone of American national security. Therefore, Clinton's first foreign trip as President is going to be to Vancouver to meet Boris Yeltsin. We shall see if the

new President of America succeeds where George Bush failed. Incidentally, both he and three other ex-presidents of America have expressed their full support for the Russian policy of the present occupant of the Oval Office.

Kozyrev on 'Practical Matters' of Cooperation

LD0204082993 Moscow ITAR-TASS World Service in Russian 0723 GMT 2 Apr 93

[By ITAR-TASS diplomatic correspondent Aleksandr Krylovich]

[Excerpts] Moscow, 2 Apr—Russian President Boris Yeltsin will fly late tonight to the Canadian city of Vancouver, where he is to meet with U.S. President Bill Clinton.

In the general view, the forthcoming Russian-U.S. summit will focus on problems of the Russian economy and measures aimed at solving its crisis. [passage omitted citing U.S. officials]

The confirmation of the key role of Russian-U.S. relations in the two countries' foreign policy is to become an important point of the talks. In a recent interview, Russian Foreign Minister Andrey Kozyrev stressed that the U.S. Administration understands very well that it is necessary to get down to strictly practical matters in cooperation with Russia, but without any political interference in its domestic affairs.

Yeltsin, Clinton Hold Phone Call

LD0204083293 Moscow ITAR-TASS World Service in Russian 0724 GMT 2 Apr 93

[By ITAR-TASS]

[Text] Moscow, 2 Apr—This morning, Boris Yeltsin, president of the Russian Federation, had a telephone conversation with U.S. President Bill Clinton, the Russian president's press service has reported.

The presidents exchanged views on the agenda for the forthcoming Vancouver summit, where attention will be focused on specific questions of economic and trade cooperation, as well as on urgent international problems.

Christopher Says Summit To Help Curb Inflation

LD0204111193 Moscow ITAR-TASS in English 0820 GMT 2 Apr 93

[By ITAR-TASS diplomatic correspondent Aleksandr Krylovich]

[Text] Moscow April 2 TASS—President Boris Yeltsin of Russia leaves by air late on Friday night for the Canadian city of Vancouver for a meeting with U.S. President Bill Clinton.

The forthcoming Russian-U.S. summit talks are to focus on the problems of the Russian economy and measures to take it out of the crisis.

As the U.S. President said on Thursday in his address to the American Society of Newspaper Editors, "nothing could contribute more to global freedom, to security, to prosperity than the peaceful progression of rebirth of Russia". This is what the U.S. was guided by when working out an aid package which is to be offered at the forthcoming meeting with Yeltsin on April 3-4, Mr Clinton said.

In the opinion of U.S. Secretary of State Warren Christopher, the summit will deal with curbing inflation which is on the verge of hyperinflation in Russia now. He believes that the main thing that must be done now is to adopt new trade rules for Russia, the rules not constrained by any barriers.

Confirming the key role of Russian-U.S. relations in the two countries' foreign policies must become an important aspect of the talks. The U.S. Administration is well aware that it is essential to move on to purely practical deeds in cooperation with Russia but without any political interferrance in her foreign affairs, Russian Foreign Minister Andrey Kozyrev emphasised in one of his recent interviews.

Analyst Skeptical About Aid, Vancouver

MK0204075493 Moscow KURANTY in Russian 31 Mar 93 p 5

[Mikhail Shchipanov article: "'Advice Not Needed—Give Material Help' At the First Official Meeting of Boris Yeltsin and Bill Clinton the Question of Massive Aid for Russian Democracy Will Be Raised for the Last Time"]

[Text] The Canadian populated area of Vancouver, with its inevitable problems concerning the almost sentimental relations with the new Russia, has raced toward Clinton like tears to the eyes. The sharply deteriorating constitutional crisis in our homeland has left the debutante president with no time to get into the swing of things. Pensioner Bush had a whole year before such a meeting, while Clinton, who solemnly reassured voters that all his attention was on his country, has had to study Russian affairs from a standing start.

From the time of Gorbachev's solemnly impertinent request concerning the allocation of a trifling $100 billion (the West spent as much on "Desert Storm"!) for the needs of the Union's perestroyka, the root question of any rendezvous between Kremlin and White House incumbents is the question of giving massive financial and intellectual aid to you and me. True, some time ago the talk of Western aid started to smack of the Russian folk parable about the white steer. That is, nobody has ever spoken out against visibly and extensively showing Russians and market proselytes liberal society's generosity and perspicacity, but the official smiles at summits—one-on-one or seven-on-one—have melted, together with the promises. The Cheshire cat syndrome has arisen: The smiles were still beaming but it has become clear that for a number of objective reasons aid should again not be expected this year.

The situation was not helped either by the alarmist prophecies of impending social riots in Russia, which are pointless and relentless, or our president's revelations about the fetid breath of the brownshirt-Reds, or CIA analyses, or exhortations from people who have retired from big-time politics. The humanitarian convoys to Russia more likely served political objectives and gratified the pride of the Good Samaritans. The apotheosis of solidarity with democratic Russia was the nonallocation of the $24 billion subsidy widely advertised by the departed Bush. In the past year in one noncash form or another, including simply the refinancing of the foreign debt, Russia has received, thank God, maybe one-half of this impressive sum.

The reasons for the "underpayment" are known as well as the "Our Father": Russia, quote, does not have the appropriate infrastructure enabling it to digest the Western billions; only specific programs should be financed; the reforms have not proceeded in the way usually planned in international financial organizations, and so on and so forth. It was not for nothing, however, that a wise man once said: "It is useless helping a country devoid of a market infrastructure, while a country with a developed market economy does not need help at all." A patient needs medicine and a thirsty man needs water.

Why has a choir again started singing the solemn "Aid for Russia" oratorio? Clinton is preparing himself (at any rate, he promises to discuss this topic with Yeltsin), while the Yankees' G-7 partners intend to get together especially regarding such an advantageous proposition. What exactly has changed if, by the IMF's standards, there has been no cardinal breakthrough in the reforms, privatization in our country is making haste slowly, the budget deficit is not being reduced, and the conservatives are pressing?

The simplest explanation, of course, can be reduced to the developed countries' desire to provide themselves with a kind of historical alibi: We, they would say, were not passive, we were constantly prepared to lend Russia a big helping hand. This position is especially important for the young President Clinton. Bush emerged as the Cold War's chief grave digger. Nowadays any cooling on a world scale—and as we know, Russia is the "cooking pot in which the weather is made" ["kukhnya pogody"]—will go down on his, Clinton's, presidential record, raising a question mark over not only his personal place in history but also his future career, which customarily relies on two power mandates.

U.S. allies have their own special reasons. Last year President Bush upset them considerably by announcing the well known "matter of the $24 billion" apparently on his own U.S. initiative, without even seriously consulting his free world partners. It turned out that, on the one hand, Washington, by starting to "take the lid off" this project, also took all the best propaganda pickings, while it was up to its allies and friends throughout the market world to collect the actual money. Now, so that nobody harbors a grievance, the "aid show"—and every aid project even if subsequently not implemented is indeed put together and played out like a real show—is started by everyone together. Clinton's team openly acknowledges that America alone will not bear the whole burden of aid. That's putting it mildly.

Any talk of possible aid to Russia is now going on in what is for Clinton an extremely disadvantageous situation. The President has promised to concentrate on domestic affairs, and polls indicate that only 4 percent of Americans are interested in foreign affairs. No particular impression is being made by the arguments of figures like former President Nixon about the connection between foreign and domestic policy and about the fact that America will now be able to save a good $100 billion by cutting military programs, breathing life into its own modernization. Whereupon the Republicans, not yet used to being the opposition party, can take heart if the President firmly promises Russia something major: We, they will say, do not have enough ourselves.

In short, purely physically Clinton has no money to sprinkle on Russian democracy, which is by no means going to blossom luxuriantly. A few hundred million dollars, which the new President is promising to scrape up in the long term, will not solve the problems and, moreover, will give fresh ammunition to opposition members straining at the leash both in Russia and America. To some people this aid will become a symbol of squandering taxpayers' money, to others a symbol of selling paternal ideals for nothing.

Chancellor Kohl has also turned out his empty pockets in the presence of interested Russian colleagues. True, some unused Japanese accumulations remain, but it is unlikely that the samurai's descendants, deprived of the joy of close communication with the "northern territories," will be able to cough up for the benefit of our Eurasian democracy.

In short, all the free world's presidents and premiers are in a classical position which is worse than that of a governor. There is nowhere to get money from but they really should be giving it. For the time being our Western partners, obviously basing themselves on the unshakability and organic integrity of political and financial support, are mainly confining themselves to gestures of political solidarity with Yeltsin and Russian democracy as a whole, although the times when foreign factors made an indelible impression on our public opinion are now long gone.

On what, in all honesty, are both high contracting parties counting? The West is clearly inclined to take a collective and more flexible position: Quote, not for the sake of Yeltsin personally but exclusively for democracy. This is why Clinton is increasingly frequently letting it be known that there are more fish in the sea than the Russian president, although his colleague Yeltsin is evidently the most optimal option. Authoritative experts are reproaching their leaders because only recently they were excessively focusing on the person of Gorbachev.

In a word, in trying to avoid a situation henceforth in which only the figure of Yeltsin would personify the might and main of our Russian democracy, Western benefactors seem to be widening the framework for giving them temporary room for maneuver. Should we be so hasty with the "golden rain" if Yeltsin is not the be-all and end-all? One more time we must take stock, promise some humanitarian butter to go with the bread, and invite a dozen youths to study in universities. And global projects will wait, because actual support for the Russian president has been repeatedly reaffirmed!

Vice Premier Shumeyko is evidently right: The only real aid for Russia could be creditors' consent to defer settlements of the Brezhnev-Gorbachev debts. Most likely a five- to 10-year deferment of payment for the already squandered future could be the only real way of giving Russia material support. Especially as both transoceanic conservative skeptics of the observer type and ex- presidential candidate P. Buchanan are starting to say that, quote, it is preferable to allow debt deferment without waiting for the pro-communist parliamentary majority in Russia simply to exploit Bolshevik experience and in the best traditions refuse to pay the former Union's debts.

So, what is to be expected from the Vancouver summit?—leaving aside, of course, the official smiles, the friendly half-embraces, the presidents getting on first-name terms, and the ingratiating communication between the world leaders and Vancouver's population, which are inevitable on such a solemn occasion. The U.S. President will evidently declare loud and clear his solidarity with his Moscow colleague and will call on his partners to combine for the sake of giving real aid to Russia: I myself, he will say, with all the will in the world will not be able to take on such a burden of choice. Simultaneously a few long, drawn-out humanitarian projects, in particular food deliveries, will be announced.

But should our Bering Strait neighbors be judged harshly? It is clear that it will never be possible to save up enough money to rectify Russia's problems.

For example, Clinton's consent to hold the meeting on neutral territory, although the summit was scheduled to take place in Washington, will cost dearly. So the U.S. Administration decided to strengthen Yeltsin's position somewhat so that he would not look like a blatant supplicant setting off to seek a favor from a rich but rather miserly American uncle.

True, evil tongues are claiming that Canada was chosen not because, quote, in recent months the politicians there have been playing an active role as intermediaries in relations between Moscow and the West. Clinton clearly feared that in Europe the incensed farmers would try, because of objective conflicts with U.S. corn, to pelt him with rotten produce grown by the sweat of their brow. But this nuance only confirms the simple truth that the world is a complex thing.

'White House Representatives' on Vancouver Package

PM0104182993 Moscow IZVESTIYA in Russian 2 Apr 93 First Edition p 1

[Aleksandr Shalnev report: "In Vancouver B. Clinton will Offer Help to Private Business in Russian Regions"]

[Excerpt] Washington—Three-quarters of the package of aid and assistance for the Russian reforms that U.S. President Bill Clinton is going to announce in Vancouver 4 April will go to the nongovernment sector of the Russian economy. Furthermore, three-quarters of that aid package will go outside Moscow, to the Russian regions, according to high-ranking White House representatives who wished to remain anonymous.

Another key feature of the Russian aid program is that the Clinton administration is not going to ask the Congress for any new money for it: It plans to use resources already allocated by the Bush administration but not yet used. Even though the White House continues to stubbornly refuse to mention any specific figures which would show the scale of the program, comments that the cost will be covered by the "Bush" resources make it possible to calculate that the "package" that Clinton will be taking to Vancouver for the meeting with Boris Yeltsin will be worth around $1 billion.

On the other hand, there is a substantial plus here, too: The program will not have to go through Congress, which would take at least five-six months, so that Washington can begin implementing the program right after the Russian president gives his final "okay" in Vancouver.

Although the money is a legacy from Bush, it will be used in a qualitatively different way than under the previous administration, whose experience in giving assistance to the former Union was described by White House representatives Wednesday as "an example of how not to give aid." Virtually all Bush's projects have either been modified by the Clinton team or simply forgotten. Essentially the modifications boil down to changing the emphasis to assisting the private sector of the Russian economy and helping the regions, not the center.

The package which will be unveiled in Vancouver is only a fragment and, in terms of volume, not the most significant part of the overall program of support for the reforms in Russia. The main section of the program envisages the involvement of other countries, above all the G-7 countries, and international financial organizations such as the IMF and the World Bank. [passage omitted]

Shift in U.S. Stance on 'Northern Territories'

PM0104151593 Moscow PRAVDA in Russian 1 Apr 93 p 7

[Yuriy Vdovin "View from the Editorial Office": "Self-Concern"]

[Text] The U.S. Administration fully understands and supports Japan's demand that Russia transfer the four islands of the South Kurils chain to it. The KYODO NEWS AGENCY reports that this is what U.S. Assistant Secretary of State Tarnoff stated at a meeting with Japanese Deputy Foreign Minister K. Saito.

It is noteworthy that this statement was made the day after the Japanese Government's decision not to include the problems of the "northern territories" on the official agenda of the "G-7" conference in Tokyo in July. This step, according to Japanese Foreign Ministry sources, was taken because there is a "mistaken idea that Japan has been using the territorial problem as a pretext for passivity toward helping Russia." Meanwhile, Prime Minister K. Miyazawa and Foreign Minister M. Watanabe, the deputy prime minister, stressed at a press conference in Tokyo on the same day that the Japanese Government has no intention of prolonging "indefinitely" the dispute with Russia over the ownership of the South Kurils.

Tokyo has long been seeking international support for its territorial claims against Russia. There have been certain improvements in this respect. But some West European countries and the United States have so far been wholly negative toward viewing the question this way: They felt that the problem is primarily one for Japanese-Russian bilateral relations. In seeking a change to that approach Tokyo began ostentatiously avoiding giving effective help to Russia and confined itself to promises and handouts which are not commensurate with Japan's economic might.

Now for the first time there is open support from Washington for Tokyo's demands toward Moscow. What is going on?

In the opinion of observers there is one important reason for the change in the U.S. stance. There have been reports in the Tokyo newspapers that a new policy is being elaborated within the ruling Liberal Democratic Party. The proposals include Japan's declaration of neutrality, the breaking off of alliance relations with the United States, and so forth. Anti-U.S. feelings have increased noticeably in the country and this is also being reflected in the government's policy. For example, Foreign Minister Watanabe, expressing his alarm over the steadily increasing U.S. pressure in virtually all spheres of economic cooperation, stated after a recent trip to Washington that the time has come to review Japan's traditionally subservient relations with its transoceanic ally. The Japanese press has carried with growing frequency articles by leading politicians and leaders of the ruling party saying that the hostility between the two countries is an objective consequence of America's loss of its former power. Thus it is less the fate of Russia than concern for its own position in the world that is forcing Washington to openly declare its support for Tokyo's territorial claims. A case of "you scratch my back," as the saying goes, "and I'll scratch yours"?

Glazyev Suspects U.S. of Subsidizing Military Industries

OW0104213493 Moscow INTERFAX in English 1929 GMT 1 Apr 93

[Interview with Sergey Glazyev, deputy minister of foreign economic relations, by unidentified INTERFAX correspondent; place and date not given—following item transmitted via KYODO]

[Text] The last issue [not further identified] carried an interview with Russian Deputy Foreign Minister Georgiy Kunadze, who recently visited several countries in Southeast Asia and the Pacific as a member of a delegation headed by Vice-President Aleksandr Rutskoy. Here is what Russian Deputy Minister of Foreign Economic Relations Sergey Glazyev thinks of prospects for Russia's economic relations with countries in that region.

Glazyev was also in Rutskoy's delegation.

"IF" [INTERFAX]: You recently visited Malaysia, New Zealand, and Singapore. What economic interests does Russia have in Southeast Asia and the Pacific?

GLAZYEV: The region is a rapidly increasing market, since the population is quickly growing there and its living standards are going up. Besides, Russia could have long-term interests there, for it could be selling its technologies on a mutually advantageous basis.

This region has the world's highest rate of economic growth, between five and ten percent a year. This rate is very likely to be sustained, because the economies of those countries are not encumbered by any obsolete technologies, and the work force is disciplined and fairly well trained. I believe the region may become one of the main markets for Russia, not only as regards our exports but also as regards joint production on the basis of Russian technologies and re-export.

"IF": Do you think those countries are interested in our technologies and our exports?

GLAZYEV: Certainly. Russia has considerable advantages in some high technology industries, such as the aerospace industry, aircraft building, shipbuilding, or space services. The market in that region is to a great extent monopolized by transnational corporations from industrialized countries such as the United States, Japan, and some European states. If Russia gets itself a place in that market, the existence of those companies will be much less pleasant than it is today, because there are artificial restrictions on competition there, including political pressure put on countries which are consumers of such output.

It is a normal policy for Western companies to pursue in science- intensive industry markets to sell outdated commodities and raise obstacles to sales of state of the art ones. The reason is that renovation requires large investments, and that considerably increases production costs. It is natural that a company should seek to make a

profit on the same kind of technology for as long as possible. This means that limits are set to both technological and price competition, whereas Russia can offer a lower price and higher quality at the same time.

"IF": How much lower can our prices be?

GLAZYEV: I think they could be much lower for the output of practically all the industries I have mentioned. The differences can range between 20 and several hundred percent.

But this is not the main point. The main point is that in Southeast Asia there are some very dynamic companies with very ambitious plans. The governments there are trying to accelerate industrial development. World experience shows that it is usually new companies that cause upheavals in markets, while those which dominate them usually stick to defensive tactics.

"IF": Do you think those monopoly companies will take no steps to bar Russia from the market in Southeast Asia and Pacific?

GLAZYEV: They are certainly resisting in every way, even making use of their contacts in the governments of those countries. Thus, in the arms markets, our competitors practically always resort to political pressure in an effort to make various countries avoid buying Russian arms.

"IF": Is that the reason why Russia was unable to sell a large number of MiG-29 aircraft to Malaysia?

GLAZYEV: That was one of the reasons but there were others too. First of all, before such matters are negotiated there are certain points on which several governmental bodies in Russia have to agree, and that takes a long time. So on some points the talks are still going on. Secondly, there was greater competition, since the American companies had to drastically cut down the prices for their aircraft trying to keep Russian planes out of the market. I suspect that they could afford to do that not because they could make cheaper aircraft but because they had been promised subsidies by their government.

"IF": What makes you think so?

GLAZYEV: It costs a lot less to produce some kinds of Russian aircraft than to make similar kinds of American ones. So naturally the Americans charge higher prices for their planes. They may have been making enormous profits, of course, but these days their military corporations barely manage to make ends meet, so I don't think they have a lot of extra funds left.

"IF": By how much did they get down their prices?

GLAZYEV: According to our estimates, by 30 or 40 percent. I don't think they could have managed this without government support.

"IF": What can our potential partners be interested in beside warplanes?

GLAZYEV: For some reason, it was just this affair with the MiGs that has been given such publicity, although we would like to export civilian as well as military aircraft, especially some new makes which can compete with modern American and West European ones in every respect but are much cheaper at the same time. ASEAN countries, for example, are interested in Russian high-speed ships, both naval and passenger ones.

Those countries have well-developed market economies, and there aren't too many economic problems the governments take up there. Russia should have closer contacts with direct consumers there. We should also make use of their advantages in making products to be sold in third countries. Russian technologies and scientific potential could make a fruitful and promising combination with those countries' experience in market economics.

"IF": Did you have any concrete projects to discuss during your visit?

GLAZYEV: No, we didn't set ourselves any concrete aims. We just wanted to have some of the old barriers removed. Those countries still have some apprehensions about Russia, so such visits are very important in the sense that can help get rid of that cold war legacy. Our main task is to convince the governments and businessmen in those countries that Russia is a reliable and promising partner.

Commentary Previews 2 Apr Visit by UK's Hurd

LD0204030093 Moscow Mayak Radio Network in Russian 0215 GMT 2 Apr 93

[Excerpt] News from the top levels of diplomacy. Douglas Hurd, British secretary of state for foreign and Commonwealth affairs, will arrive in Moscow for literally just a couple of hours, but the brevity of the visit does not detract from its significance. Quite the opposite: the arrival of Britain's senior diplomat at a time when Russia is in the grip of an acute political and economic crisis acquires additional importance.

The British leadership has been supporting President Boris Yeltsin and his reforms, and the debates in the Kremlin at the Ninth Extraordinary Congress of People's Deputies have forced them to restate this support. As you are aware, the leaders of many other countries have done likewise. The events in Russia have forced the West to finally switch from words to deeds and hurry with aid already promised, and also to think up new and accelerated programs to save the reforms. It is with this aim that the foreign and finance ministers of the seven leading industrialized states, plus Russia, will be gathering in Tokyo in two weeks. In general, we should not forget just how important a role London has played in bringing the G-7 and Moscow closer together.

So, Russia's internal problems will be the main item during today's talks between Secretary of State Douglas Hurd and Russian Foreign Minister Andrey Kozyrev. The main item, but not the only one as also on the

agenda are how to achieve peace in Yugoslavia and the UN's peacekeeping activities in general. The sides' positions on these matters either coincide or are close to coinciding. It is expected that Russian President Boris Yeltsin will receive the secretary of state. [passage omitted]

Hurd To Express Support for Reforms

LD0204050793 Moscow ITAR-TASS in English 0441 GMT 2 Apr 93

[By ITAR-TASS correspondent Vladimir Voronkov]

[Text] London April 2 TASS—British Foreign Secretary Douglas Hurd on Friday [2 April] sets out on a tour of South-East Asian countries and is to make a brief stopover in Moscow.

In his summary answers to ITAR-TASS questions, the foreign secretary emphasised that during talks with Russian Foreign Minister Andrey Kozyrev, Mr Hurd intends to express Britain's support for the reform process in Russia.

The answers, which were made available to ITAR-TASS by Mr Hurd's office, also have it that a new package of measures to render "macro-aid" to Russia is to be considered at a special meeting of G7 foreign and finance ministers in Tokyo on April 14-15.

Britain makes its contribution to international efforts to help the Russian economy. On a bilateral basis, Britain last year more than doubled the know-how fund which now amounts to 109 million sterling.

It is clear from the British foreign secretary's answers that London supports the proposal to establis a zone of free trade between the European Community and Russia as a prospect in the long term but that a time-table for the realisation of the idea has not been worked out so far.

Military Protests Officer's Arrest in Abkhazia

OW0104204093 Moscow INTERFAX in English 1404 GMT 1 Apr 93

[Following item transmitted via KYODO]

[Text] The command of the Russian armed forces in Abkhazia has protested to Georgia in connection with the arrest of Senior Lieutenant Aleksandr Sitnikov from a Russian airborne battalion stationed in Sukhumi and has demanded Sitnikov's release. The lieutenant was arrested in Sukhumi on Wednesday [31 March].

According to the press center of the Russian Defense Ministry, Lieutenant-General Aleksandr Chindarov, deputy commander of the Russian airborne forces, dismissed the charges brought against Sitnikov—"activities detrimental to the interests of Georgia"—as totally groundless.

"Outrages are today being perpetrated in Sukhumi against non- Georgians, especially the Russian-speaking population," the general said. "This illegal act (Sitnikov's arrest - IF [INTERFAX]) is one of the links in this chain, and is aimed not only at humiliating Russian servicemen but also at publicly compromising them."

According to the Georgian authorities, Sitnikov was arrested as he "collected military intelligence."

Defense Ministry Protests Shelling

LD0204084093 Moscow ITAR-TASS in English 0703 GMT 2 Apr 93

[By ITAR-TASS correspondent]

[Text] Moscow April 2 TASS—"The situation around Russian troops and facilities, located in the zone of the Georgian-Abkhazian conflict, has become aggravated again despite the fact that they maintained and continue to maintain a strict neutrality," said a Russian Defence Ministry statement circulated here on Friday.

"The seismic laboratory at Eshery was subjected to a prolonged shelling by artillery from 19.40 on April 1. the Command of Russian troops in Abkhazia urged the Georgian side immediately to discontinue the firing.

"Notwithstanding the demand, the shelling of the laboratory continued. In response to the obviously provocative actions, two Su-25 aircraft scrambled to air and delivered aimed strikes with rockets on the firing positions of mortar and howitzer batteries on Gumista River outside the populated locality.

"The Russian Defence Ministry lodges a resolute protest with the Georgian side and confirms once again that if the unlawful actions with regard to Russian troops are continued, the troops would use all means at their disposal to put a stop to any provocations with a view to defending the lives of the servicemen and those of the members of their families. In that case, the entire responsibility for provocative actions would rest with the Georgian side," the statement said.

Statement on DPRK Non-Proliferation Treaty Withdrawal

LD0104165693 Moscow ITAR-TASS World Service in Russian 1408 GMT 1 Apr 93

["Governments of Russian Federation, Great Britain, and United States issue statement on DPRK's intention to withdraw from Nuclear Weapons Non-Proliferation Treaty"—ITAR-TASS headline; by ITAR-TASS diplomatic correspondent Boris Krivoshey]

[Text] Moscow, 1 Apr—The Governments of the Russian Federation, Great Britain, and the United States, which are depositories [depozitariy] of the Nuclear Weapons Non-Proliferation Treaty, today issued a statement. It expresses regret and concern with regard to the declaration by the Democratic People's Republic of Korea (DPRK) of its intention to withdraw from the Nuclear Weapons Non-Proliferation Treaty.

The statement says:

"Since the Treaty is a substantial element of world peace and security, the DPRK's withdrawal from the Treaty will represent a serious threat to regional and international stability.

"We express doubt over the fact that the reasons cited by the DPRK for withdrawing from the Treaty are exceptional circumstances connected with the content of the Treaty. In this connection, we note that, as a non-nuclear Treaty member-state, the DPRK is guaranteed nuclear security.

"It would be in the interests of the DPRK to preserve its Treaty membership and to comply fully with its provisions. This would promote greater confidence on the part of the international community with regard to the nature of the DPRK's nuclear program and in the DPRK's desire for positive international relations, including peaceful cooperation in the nuclear sphere."

Moreover, the withdrawal of the DPRK from the Treaty would threaten stability on the Korean Peninsula, which has increased in recent years, and would undermine the efforts to implement the joint declaration by the North and the South on making the Korean Peninsula nuclear-free.

We urge the DPRK to retract its statement and to fulfil its obligations toward the Treaty, and its obligations on the guarantees which remain in force. In this connection we firmly support the efforts of the international agency on nuclear energy, aimed at implementing its agreement on guarantees with the DPRK."

The depositories also appealed to all countries of the Nuclear Non-Proliferation Treaty to join the present statement, to appeal to the DPRK to review its stance, and to fully respect its obligations toward the Treaty.

Churkin Says Yugoslav Situation 'Not Hopeless'

LD0104174993 Moscow ITAR-TASS in English 1533 GMT 1 Apr 93

[By ITAR-TASS correspondent Aleksandr Kondrashov]

[Text] Belgrade April 1 TASS—Vitaliy Churkin, special envoy of the Russian president and deputy head of the Russian Foreign Ministry, met with Yugoslav President Dobrica Cosic on Thursday [1 April].

During the continuous meeting the sides discussed problems pertaining to prospects of peaceful settlement in Bosnia and Herzegovina.

Upon completion of the meeting the Russian envoy made a brief statement, in which he said that the sides had thoroughly and comprehensively analyzed the situation, adding that the meeting was held in an atmosphere of friendship and deep mutual understanding.

Dragoslav Rancic, the Yugoslav president's adviser, told journalists that during the meeting Churkin described the situation in Yugoslavia as "difficult, but not hopeless."

It was pointed out that after the Croatian and Muslim sides had signed all provisions of the Vance-Owen plan international pressure was being increasingly put on Bosnian Serbs so that they accepted a whole package of documents envisaged by the plan, including the borders of future provinces. In this connection, the Russian diplomat has reiterated the idea, expressed at yesterday's meeting with the leader of Bosnian Serbs, Radovan Karadzic, that it was necessary that the Serbian side signed maps indicating the borders of future Bosnian provinces, in order to subsequently hold direct talks with Croatian and Muslim communities on the correction of these borders.

According to the presidential adviser, the Yugoslav president responded positively to the suggested compromise. He fully supported the need to observe a truce reached in Bosnia, but voiced doubt as to the genuine desire of the Muslim side to cease military operations. The Yugoslav president responded positively to other proposals made by the Russian diplomat, in particular, on the deployment of U.N. observers on the borders of Bosnia and Herzegovina with the aim of exercising control over possible transfer of weapons or military formations, and on the importance of publishing important reports by commanders of U.N. forces in former Yugoslavia, for instance, reports on the presence of regular Croatian forces in Bosnia.

The Yugoslav president has positively assessed the course, taken by Russia in the Yugoslav conflict, saying that unlike other great powers, Russia was seeking to begin a dialogue, rather than exercise unilateral pressure. At the same time the Yugoslav president has called on Russia to enhance its role in the Balkans and increase its activities in the U.N. Security Council with the aim of ensuring just settlement of the Yugoslav crisis.

Vitaliy Churkin, special envoy of the Russian president and Russian deputy foreign minister, had talks on Thursday with Chairman of the Yugoslav Government Radoje Kontic, Serbian President Slobodan Milosevic and Yugoslav Foreign Minister Vladislav Jovanovic.

During the meeting they discussed acute problems connected with the search for peaceful political settlement of the crisis in former Yugoslavia, including the conflict in Bosnia and Herzegovina.

Humanitarian Aid Venture Begins in Far East

PM0204104593 Moscow ROSSIYSKAYA GAZETA in Russian 1 Apr 93 p 15

[Sergey Ponomarev report: "The Japanese Have Begun To Feed Us. This Is Aid 'Which Spares Russians' Feeling of National Pride"]

[Text] Khabarovsk—In connection with the memorandum signed 12 February in Tokyo concerning Japan's granting of emergency humanitarian aid to our country, a venture got under way at the end of last week in several major cities of Russia'a Far East which the specialists are

calling "monetarization." As was stated the day before at a news conference in Khabarovsk in which representatives of the Japanese Ministry of Foreign Affairs and the local administration participated, it is a matter of supplying products for the retail network and subsequently crediting money from their sale to the special accounts of funds for the social support of the population.

Mr. M. Kagami, deputy head of the humanitarian aid department of the Japanese Ministry of Foreign Affairs, reported that we are talking about vegetable oil, stewed fruits, condensed milk, canned meat, and several other products purchased by his government with part of the $100 million announced at last year's Tokyo conference which discussed measures to support the countries of the former USSR.

The Japanese side took it upon itself to meet expenses connected with delivering the products to depots, but on the condition that it should only be sold in state trade stores at prices which are on average 10 percent lower than those in the retail network. Regular accounting of receipts and disbursements of the money received is an obligatory requirement, as is the use of this money not only in the oblast and kray centers but within the territory as a whole.

In the opinion of a representative of the British firm of consultants Crown Agent, which is organizing this venture by agreement with the Japanese Government, such a system of aid will allow it to be more "targeted" and, aside from this, "spares the Russians' feeling of national pride," inasmuch as they are supporting their unfortunate fellow countrymen by buying produce in the stores. "We have carried out research in several cities of Siberia and the Far East and have ascertained that 'pure' humanitarian aid in the form of free handouts of food as practiced in Somalia and Ethiopia is not entirely suitable for Russia," John Tate considers.

The local authorities also hold this view. As Deputy Kray Administration Head I. Strelkov noted, "It is wrong to corrupt people further by handing out food both to those people on the minimum pension of 3,400 rubles who really need it and, for example, to former military personnel to whom the Ministry of Defense is paying out more than 30,000." It is the vice governor's opinion that the basic problem today is how to help specific individuals—invalids, the sick, refugees, and those rendered destitute by fires.... In addition, many of the kray's remote regions are already refusing "natural" aid insofar as, if you take transportation expenses into account, it becomes as expensive as gold.

It is difficult to say whether the "monetarist model" will really enable us to put an end to the thefts and losses of humanitarian freight and the other abuses which were rife last year. Also alarming is the fact that the figure of the bureaucratic middleman is putting in an appearance between the dispatchers of humanitarian aid and the people in need of it—and he may grant or refuse a favor on a thousand and one weighty pretexts.

Combat Ship To Participate in NATO 'Baltic Operation'

OW0104205493 Moscow INTERFAX in English 1512 GMT 1 Apr 93

[Report by diplomatic correspondents Andrey Borodin, Dmitriy Voskoboynikov, and Igor Porshnev; from the "Diplomatic Panorama" feature—following item transmitted via KYODO]

[Text] A Russian combat ship will participate in tactic operations planned for June, 1993, with NATO member fleets on the Baltic Sea. A high ranking official at the chief headquarters of the Russian Navy reported this to Interfax.

He said that maneuvers under the code name "Baltic Operation" had been conducted before with just naval forces from NATO countries. This year, all states in the Baltic region were invited, including Russia, Estonia, Latvia, and Lithuania.

Moscow's invitation came from the United States Navy commander in Europe. It stated that Russia could participate in the maneuvers either as an observer or as a direct participant.

On orders from the head of the Russian Navy's general headquarters, the second option was chosen, and they decided to send one combat ship from the Baltic Fleet to participate in the maneuvers. The class and name of the craft have yet to be determined.

ASW Ship Scores 'Optimum Results' in Joint Exercise

PM0104153393 Moscow KRASNAYA ZVEZDA in Russian 1 Apr 93 p 1

[RIA report under the "From Our Information Bureau" rubric: "Foreign Experts' High Appraisal of Russian Seamen"]

[Text] The Pacific Fleet's large ASW ship Admiral Tributs, on combat service in the Persian Gulf as part of the international forces, produced the optimum results in joint exercises with U.S., British, and French ships in artillery fire against aerial and underwater targets, and successfully completed an assault on an imitation submarine.

In the opinion of foreign military experts, in the difficult period of reform which the Russian Navy is now undergoing, the country's grave socioeconomic problems have not seriously affected the professional standards of Pacific seamen.

Article Views 'Third World War,' NATO Strength

PM0204094393 Moscow PRAVDA in Russian 1 Apr 93 p 6

[Igor Saltykov report: "If Borodino Strikes"]

[Text] Predictions are being floated in the international press on the beginnings of the third world war. Some

have identified its source in the fighting between Azerbaijan and Armenia. Others see the conflagration in Yugoslavia. But for some reason the fact that a Borodino could truly strike—a third Patriotic War—if NATO dares to lend "military aid" to certain circles of the executive power in Russia is passed over in silence.

But the threat is quite real. According to the assessment of the Officers Union staff, the Moscow region, which in recent times was considered central, and therefore reliably defended, has effectively become a border zone. The 1,000-km border with foreign states has been shifted all the way to Smolensk, Bryansk, Tver, and Moscow. At the same time, it is virtually open, not defended either by border or defense complexes, or even by fortresses as in ancient times. In view of the fact that the bulk of the region (and there are 19 oblasts plus the Mordovian Republic) does not possess borders of strategic significance, Colonel Yevgeniy Morozov recently adduced the following data at an assembly of officers.

First of all, the road to the West is for all intents and purposes open. The Polish Government is clearly ready for any actions against Russia. Belarusian neutrality, according to much information, is only an evasion of military alliance with us, and could turn out to be no more than a fig leaf.

NATO relies here on the forces of the so-called Central European theater of military operations. Today it numbers in its complement up to 36 combined-arms divisions and up to 35 brigades and regiments—a total of 45-48 rated divisions. These have at their disposal up to 8,500 tanks, up to 80 launch installations for operational-tactical missiles, 75 combat helicopters, and more than 1,500 combat aircraft. In the event of a decision to prepare an invasion of Russian territory, the forces of this group could be increased within one month to 90 rated divisions and 4,000 combat aircraft.

On the Russian side there are five combined-arms large units in the Moscow region—8-10 NATO divisions to just one of ours. At the same time this one division accounts for up to 200 km of open border. There are only 5,500 tanks at the disposal of our troops.

There are not only no fortifications but no prepared command posts, aside from the central one. Moreover, the main infantry subunits and motorized infantry and tank battalions are not up to strength. Only one-quarter of them have more than 50 percent of establishment personnel. There is a 45-percent deficit of platoon and company commanders. Hopes for the contract system are not being justified: Last year fewer than 1,000 men—8 percent of the plan—joined this system. Discipline in the units is extremely low.

The conclusions of the officers assembly. First, everyone must participate in preparing the Moscow region for defense—the ministry, the army community, the government, soviets of people's deputies, and the broad masses of the people. Long-term targeted state and regional programs for the development of the defense of the region and of the country as a whole must be urgently elaborated and ratified. Second, it is time that the Supreme Soviet reexamined the relevance of the Paris treaty on reducing conventional weapons in connection with the fundamentally new military-political situation in Europe.

Two-Thirds of Western Group of Troops Leaves Germany

LD0204011493 Moscow ITAR-TASS World Service in Russian 1235 GMT 31 Mar 93

[By ITAR-TASS correspondent Konstantin Savvin]

[Text] Berlin, 31 Mar—By the end of March, the Western Group of Troops [WGT] withdrew from Germany 370,000 servicemen, members of their families, and volunteers. Thus, two-thirds of the WGT's staff have returned home. This was stated, the WGT press center reported today, at the latest session of the mixed commission held in Berlin on Tuesday [30 March]. The commission was set up on the basis of the treaty on conditions for the temporary sojourn in and planned withdrawal of Soviet troops from the territory of Germany of 12 October 1990. It was the turn of Colonel General Matvey Burlakov, representative of the Russian Federation's mission, to chair the session.

The session was told that by 31 March 1993 more than 81,000 units of equipment and weaponry had been sent home from the WGT, as well as 1.7 million tonnes of material. This means that more than 70 percent of various equipment and weaponry has been withdrawn. The commission examined the plan for the withdrawal of WGF units for the second quarter of the year. It noted with understanding the Russian side's concern for resettling the troops in their new places of deployment. The commission welcomed the agreements reached on 29 March concerning the accelerated completion of construction work and on the financing of the house building program. The commission discussed matters concerning protection of the environment as well as cooperation between the competent German and Russian bodies on preventing and halting violations of the law against of WGF servicemen.

Latvian Ambassador Meets Stankevich, Discusses Citizenship

OW0104225693 Moscow BALTFAX in English 1714 GMT 1 Apr 93

[Following item transmitted via KYODO]

[Text] The Latvian Ambassador in Moscow, Janis Peters, said more than 30 percent of all Latvian citizens were ethnic Russians. He told Sergey Stankevich, an

adviser to the Russian president, in the Kremlin on April 1 that the current registration of Latvia's permanent residents had shown that 72 percent of all permanent residents eligible to receive Latvian citizenship were also ethnic Russians.

Since these figures do not coincide with those of the Russian government, Stankevich suggested that both sides compare the information they had.

Peters gave Stankevich official explanations concerning various aspects of the status of Latvia's Russian-speaking residents, in particular, their accommodation and property rights. Stankevich and Peters also discussed the future of servicemen's graves in Latvia.

The meeting took place at the ambassador's request in connection with the recent statement of Russian Defense Minister Pavel Grachev to the effect that Russia was suspending the withdrawal of its forces from the Baltic states, which caused concern there.

Moscow Says Lithuania's Currency Duties Violate Agreement

OW0104223993 Moscow INTERFAX in English 1513 GMT 1 Apr 93

[Report by diplomatic correspondents Andrey Borodin, Dmitriy Voskoboynikov, and Igor Porshnev; from the "Diplomatic Panorama" feature—following item transmitted via KYODO]

[Text] Russia regards as a breach of bilateral accords Lithuania's imposed hard currency custom duties on cargoes bound for that country or for transit loads going to the Kaliningrad region. This, as Interfax has learned, was told to Lithuania's Charge D'Affaires in Moscow on Wednesday [31 March].

A Russian foreign ministry spokesman declared that Lithuania had taken these steps one-sidedly and without notifying the Russian authorities in advance. In his opinion, the moves virtually run counter to the treaty on interstate relations, to the agreement on cooperation in the economic and social development of the Kaliningrad region, and to the understanding on the early notification of the sides on a change in frontier crossing regulations.

The Lithuanian Ambassador in Moscow was told that the Russian side expected proper explanations and an immediate abolition of the custom duties decision.

Political Issues

Yeltsin Meets With Entrepreneurs Before Summit

LD0204095993 Moscow Ostankino Television First Channel Network in Russian 0800 GMT 2 Apr 93

[From the "Novosti" newscast]

[Text] Before setting off for Vancouver to meet Clinton, President Yeltsin has had the opportunity for at least a few days to get away from his confrontation with the parliament, which sent several more presidential decrees to the Constitutional Court on Wednesday [31 March].

However, President Yeltsin has been trying to use even the last hours before his departure to strengthen his positions. On Wednesday he met the leadership of the Russian Union of Industrialists and Entrepreneurs. Today he is expected to take part in a constituent congress of the Association of Private and Privatized Enterprises.

Calls For Joint Actions

MK0204110093 Moscow NEZAVISIMAYA GAZETA in Russian 2 Apr 93 p 1

[ITAR-TASS report under general headline: "Russian President Flies Off To Meet U.S. President. Before Yeltsin's Departure People's Deputies Send Several More Presidential Edicts to Constitutional Court"]

[Text] Yesterday as part of consultations the Russian Federation president is holding after the Ninth Congress of People's Deputies and with the prospect of a referendum being held, Boris Yeltsin met in the Kremlin with the leadership of the Russian Union of Industrialists and Entrepreneurs. Taking part in the meeting were Arkadiy Volskiy and Aleksandr Vladislavlev, coordinator of the All-Russian Renewal Union party.

The talk centered around questions of ensuring stability in the operation of the country's industrial complex and specifics of reform practice in industry. It was stressed that steady concern about Russian industry is an important factor in preserving social peace in the country. It was noted that Russia's industrialists and director corps, while criticizing certain aspects of the industrial policy from a constructive position, generally support the president's line toward the profound restructuring of Russian society and the Russian economy.

For his part Yeltsin observed that manifestations of political extremism appearing in society pose a serious threat to civil peace. In this connection the president stressed the importance and timeliness of coordinated, joint actions by all constructive, including centrist, forces that are putting first not narrow party interests, but the strategic goals of renewing Russia through reforms. This was reported by the Russian Federation president's press service.

Meets With Volskiy

OW0204112993 Moscow INTERFAX in English 1055 GMT 2 Apr 93

[Following item transmitted via KYODO]

[Text] The President of Russia's Union of Industrialists and Businessmen, Arkadiy Volskiy, a leader of the centric "Civic Union" has described as "rather constructive a meeting with the RF [Russian Federation] President on Thursday [1 April]". "It was not the first time that I met with Boris Yeltsin, but this meeting was the most productive one". I believe that it will lead to positive decisions," Mr. Volskiy declared in an exclusive interview with Interfax.

He reported that the meeting had been initiated by Mr. Yeltsin. In his words, they tried to avoid various aspects of the political situation in Russia since the 9th Congress of People's Deputies as much as possible and focussed on substantive matters of industry and ways of restoring economic ties between the former Soviet republics.

Mr. Volskiy said that he asked Mr. Yeltsin to respond without delay to initiatives from some republics, Belarus and Kazakhstan among them, to set up an economic union. "We agreed that senior industrial managers from these republics and maybe even their leaders, should get together to discuss the issue in detail," he said.

He remarked that although Russia's industrialists respected Prime Minister Viktor Chernomyrdin, they were critical of his cabinet. "The first hundred days of his premiership are over, and it's high time for him as cabinet head to set priorities in reforms," he said.

The government needs a clear-cut program of action. Mr. Volskiy made it clear that such a document would be ready soon with help from leading economists from the industrialists union.

Mr. Volskiy disclosed that at the meeting with Mr. Yeltsin, he had brought up the idea reportedly proposed by First Vice-Premier Vladimir Shumeyko at a conference, that some part of the weaponry used by the Russian army could be purchased abroad. "If the vice- premier really said so, he must resign immediately," Mr. Volskiy told the RF President.

"My union supported the candidature of Shumeyko when he was nominated to the cabinet, but what he said had nothing in common with shock therapy, it was just shocking," Mr. Volskiy said and added that "the President had promised to clear up the matter".

He predicted that "there was a lot to do for the Prime Minister in cabinet formation" and suggested that the Premier should select a new economics minister and new chiefs of the taxation inspectorate and the currency control committee.

However, he flatly opposed the idea of a coalition government, noting that "he does not understand some partners in Civic Union, who advocate such a cabinet.

Mr. Volskiy reported that after his meeting Thursday with Mr. Yeltsin, he and Mr. Vladislavlev, the vice-president of the industrialists union, had a conversation with RF Vice President Aleksandr Rutskoy. "The point is," Mr. Volskiy said, "that a very important session of the Civic Union executive committee is to be held on Friday. It will be a full-scale session with parliamentary factions participating. I do not think it will be a simple meeting—we have lots of problems concerning the situation after the Congress of People's Deputies and the position of the industrialists union."

"The meeting with Mr. Rutskoy was not simple. I can't say that we have come to terms on all points," Mr. Volskiy remarked.

On the upcoming Russo-American summit in Vancouver, he revealed that at the meeting with Mr. Yeltsin he had outlined a range of issues, which, in the opinion of Russian industrialists, should be brought up at the summit. This concerns the lifting of trade restrictions and COCOM [Coordinating Committee for Multilateral Export Controls] bans.

Mr. Volskiy said that he had invited Mr. Yeltsin to a congress of the industrialists union scheduled for mid April, and the President, in his words, accepted the invitation. He believes that "it would be fair to invite the Prime Minister and the Supreme Soviet Chairman to the industrialists congress, too".

He assured that the issue on new cabinet appointments had been omitted at the talks with the President. However, he reported that it had come up at his recent meeting with Mr. Chernomyrdin. "I am honest toward the government," Mr. Volskiy declared, "one can convey messages through someone, of course, but that's unnecessary when direct contact is possible".

Managers Support Yeltsin's Reforms

LD0104164893 Moscow ITAR-TASS in English 1333 GMT 1 Apr 93

[By ITAR-TASS correspondent]

[Text] Moscow April 1 TASS—Although Russian directors of enterprises criticise certain aspects of industrial policy in the country, they generally support the radical reforms of the president, Boris Yeltsin was told on Thursday during a meeting with leaders of the "Civic Union" centrist bloc - Arkadiy Volskiy and Aleksandr Vladislavlev, according to the presidential press service.

Volskiy also heads the Russian Union of Businessmen and Entrepreneurs, while Vladislavlev is the coordinator of the Russian "Renewal" Union.

The major threat to the civil peace in Russia is posed by political extremism, Yeltsin was quoted as saying. He said it is important that all constructive forces, which are interested in strategic renewal of Russia by means of reforms, coordinate their efforts.

The meeting which focused on problems of the national economy stressed that stable work of the industry is a major factor promoting social peace in Russia, the press service said.

Volskiy Comments on Yeltsin, Congress, Government

MK0204080093 Moscow ROSSIYA in Russian No. 14, 31 Mar-6 Apr 93 (Signed to Press 30 Mar 93) p 3

[Interview with A.I. Volskiy, president of Russian Union of Industrialists and Entrepreneurs, prepared for publication by Liliya Lagutina under "Politics" rubric; in Moscow, date not given: "Until Everything Has Been Lost, Nothing Has Been Lost"—first two paragraphs are introduction]

[Text] A meeting with Arkadiy Volskiy, president of the Russian Union of Industrialists and Entrepreneurs [RUIE], took place in ROSSIYA's editorial office.

The figure of Arkadiy Volskiy, one of the leaders of "Civic Union," is increasingly attracting attention both in Russia and in the West. But assessments of his activity are varied and often diametrically opposite. As the U.S. magazine WORLD MONITOR emphasizes in a long article devoted to Volskiy, this in itself is "indisputable evidence of the politician's significance and scale." The U.S. press sometimes calls him the "kingmaker" in the sense that this man, while remaining in the shadows, to a large extent determines the appointment of Russia's top officials. In the opinion of WORLD MONITOR, Volskiy's most significant recent actions include Viktor Chernomyrdin's appointment to the post of prime minister. WORLD MONITOR writes that precisely Volskiy holds the control levers of Russian industry. U.S. journalists emphasize that Volskiy's team includes a very considerable number of figures with whom Western leaders should acquaint themselves as thoroughly as possible.

President and Congress

[ROSSIYA] "Civic Union's" leaders ignored the Eighth and Ninth Congresses of Russian People's Deputies.... At least, you were not in the Kremlin while they were being held.... Is this your principled position?

[Volskiy] Many people have already asked me why I was not at those congresses. What was happening there was both terrible and ridiculous. I did not want to be ridiculous. The most dangerous thing today is to look for winners and losers in results. There undoubtedly are people who have clearly lost, who are once again finding themselves drawn into the political games of the upper echelons, and whose well-being is only deteriorating as a result. As regards the balance of power, here it is my conviction—thank God—that the government has

clearly won. It has at its disposal everything it was asking for—the bank, the pension fund, the property fund, and so forth. That is, great freedom of action in implementing reforms in economic management. This was the chief positive outcome of the Eighth Congress. The rest developed into a show with bustling actors at the microphones. I do not want us to be inveigled into this bustle.... I am disgusted when the press takes delight in saying that it was written down three days in advance who would seize the microphones and how. I do not want us to be inveigled into this bustle....

[ROSSIYA] In the light of recent events, however, you have probably taken some stand.... Which force is "Civic Union" prepared to support—the Congress or the president?

[Volskiy] You put the question point-blank, but probably to the wrong person. I do not wish to answer for the whole of "Civic Union," so I will express my own personal opinion. I believe that in the present situation precisely the government has the best chance and must become a consolidating force in society and in the economy. I do not know whether this will happen. A great deal here depends on the government's position, on V.S. Chernomyrdin's desire and ability to rise above tackling just day-to-day economic tasks. But this would be a way out. Nobody can or probably even wants to work in the maelstrom of the struggle for power and for the satisfaction of personal ambitions.

[ROSSIYA] This is your personal opinion. And yet what will be "Civic Union's" actions, and does it not seem to you that Vice President Rutskoy has recently been pursuing just too independent a policy?

[Volskiy] I will emphasize once again that I am president of the RUIE. I am most concerned about the state of affairs in enterprises and in the economic sphere. In recent days we have been holding vigorous consultations with the leaders of the RUIE's regional departments. The territories' representatives in all spheres of business asked us to activate our position, above all, in the economic and not the political sphere. Obviously, it will very soon be necessary to convene an extraordinary RUIE congress.

As regards Rutskoy, while having a human understanding of his concern and his position, I believe that disagreements between the president and the vice president have never served the country's good anywhere. History will judge who is right and who is guilty.

[ROSSIYA] What do you yourself think: In our country's actual politics is it sensible to rely on the people's opinion?

[Volskiy] Yes, for us a referendum is something nontraditional, unlike Switzerland, for example, where they are held almost monthly. The last time Richard Nixon came to Russia, I talked with him twice. He told me that he had twice been elected president of the United States, but he had not even pondered on what kind of republic the United States is: presidential or parliamentary. The word "republic" does not even feature in the country's name.

[ROSSIYA] Do you believe that even without any referendum or ultimatum-like edicts the president could well have done what he will call for in the general vote?

[Volskiy] What do you have in mind here? Certainly, I believe that Yeltsin and Khasbulatov could well have reached agreement and worked calmly and were obliged to do so, rather than fanning flames from a smoldering spark and once again conducting experiments on people's minds. After all, the president was elected by the whole people—this says a very great deal....

[ROSSIYA] Maybe Boris Yeltsin had some problems with the government and did not feel the support of the power ministers?

[Volskiy] No, I do not think so. You know as well as I do that the power ministers would have supported the president had they wanted and been able to, but at the same time he must assume responsibility.

[ROSSIYA] What is your opinion: What will resolve this conflict between the two branches of power, in which a third one—the Constitutional Court—is actually involved? Is it really a stalemate?

[Volskiy] The sides have driven themselves into a stalemate. It seems to me that emotions have been worked up artificially, most likely by new apparatchiks. In actual fact, there are no irreconcilable contradictions, particularly in the chief thing—the matter of reforms.

[ROSSIYA] Recently Aleksandr Rutskoy has frequently been operating in tandem with Valeriy Zorkin, and it is no secret that Rutskoy intends to submit his candidacy for the presidency in the coming elections. Do you believe a closer alliance is possible between them—namely, an offer to Zorkin to run with him for the vice presidency?

[Volskiy] I think it is only you who see it as no "secret." Three people can answer such a question. Aleksandr Rutskoy himself, Valeriy Zorkin of course, and also a good astrologer. Although I personally would not use the words "tandem" and "alliance" here.

[ROSSIYA] Would you confirm the opinion that has already taken shape, that relations between Valeriy Zorkin and Boris Yeltsin have been spoiled once and for all?

[Volskiy] Again this question is to the wrong person. Any assertions on my part would appear most incorrect. I will merely make the supposition that it would be a tragic mistake to break off relations. Zorkin is a greater comrade of Yeltsin's than certain members of the president's entourage try to make out. Incidentally, I have profound faith in Zorkin's professionalism.

Government

[ROSSIYA] Many people now are speaking of a coalition government.... What is your opinion?

[Volskiy] No. I categorically oppose this. Judge for yourself. In Russia now there are more than 1,000 public organizations and approximately 100 officially registered parties. They include both "quiet" ones and "loudspeakers;" some have, as a rule, approximately 500 members, and they will demand seats for themselves. There is no legally competent approach to the question of which parties must be in the government, and which not. A government of specialists must function until the elections.

[ROSSIYA] Do you think that this has already been created?

[Volskiy] No. I do not think so at all. The prime minister must carry out several reshuffles in favor of those who are able to work professionally.

[ROSSIYA] Will you support Viktor Chernomyrdin, and do you not consider him a transient figure?

[Volskiy] He is now the most authoritative figure in the Russian Federation's leadership and has already mastered such a difficult sector of state work. It is hard to say what will happen after the next elections. Now about whether he is transient.... Here is an absolutely true story about how Viktor Chernomyrdin was elected, and you yourself will understand that this was not an impromptu move by the president. On the contrary, in my view this turned out the best of the options available at the Seventh Congress. The leaders of "Civic Union" met one day during the Seventh Congress—they sat and thought about possibly putting a candidacy for the premiership to a vote. Gaydar arrived that evening, and we advised him to remain as acting premier. He pondered and then agreed. Rutskoy asked him to speak with the president, saying that elections were not needed in respect of his candidacy—let the status quo remain. He then informed us that the president had agreed. Therefore you can understand our surprise when the president mounted the Congress rostrum in the morning and put Yegor Gaydar's candidacy to the vote. It is still a mystery to me what happened. Evidently someone went to the president after Gaydar and bewitched him.

In the end, of the five candidacies submitted by the factions, Boris Yeltsin plumped for Viktor Chernomyrdin. He is an independent person and extremely difficult to manage. He will be very awkward for someone. It is sufficient to recall his concluding speech at the Eighth Congress and his stand at the Ninth Congress.

[ROSSIYA] What you have said is very interesting. For it was always customary to consider precisely you as Gaydar's opponent. But it turns out that you did not even want him to leave his post....

[Volskiy] Gaydar is a talented economist and journalist, but he has one trouble. He is totally unsuited to carrying out the duties of power. He is too much of an intellectual for that. In such a post you have to be an unskilled laborer.

Incidentally, although I was considered his opponent, I never anywhere raised the question of releasing Gaydar from work in the government. He could well have been deputy [premier] for the economy. But I said openly many times that he is a theoretician and that above him there should be someone—in the navy such a person used to be called an uncle—who could chase away a swindler or remove an idler. For this it is necessary to have character, knowledge, and experience and to be objective at the same time.

[ROSSIYA] Arkadiy Ivanovich, you are frequently called a devotee of the Chinese path of economic development....

[Volskiy] Here we go again. We have asked for only two issues to be examined from the Chinese model: state support for small and medium-size business and agrarian reforms. All the same, Volskiy is not Deng Xiaoping, and China is not Russia. I even confessed recently that I am not Deng Xiaoping. I will probably be haunted by this to the end of my life. But we only asked gently for a study of this....

What have I not heard said about me.... People are now saying: Yes, they should have started with the countryside and implemented agrarian reform before the price liberalization. Of course, price liberalization is the last rung of the ladder, and only we can build a ladder from the last rung.

A congress of the "Sodruzhestvo" Association was held recently. Simply monstrous figures were cited there: During 1992, for example, the amount of fertilizer applied to the soil fell by half. Starting in 1947, we had increased the amount by 3 to 5 percent annually. Now, in the space of a year, we have returned to the level of 1956. Tell me: How must we restore the fertile layer now?

Food production has fallen 20 percent, and sowing is being wrecked. I cannot imagine how this situation can turn out for the people. For three years now I have been speaking of a system of priorities in the transition to the market, and I have always put agriculture and food production in first place and the population's provision with medical supplies in second. In return I was accused of being an antimarketeer. A country in which the need for medicines is met by only 60 percent cannot live. The population will start to die out. Can medicine be totally subject to market forces? In all normal countries either the production of medicines is subsidized or prices are limited by means of taxes, and so forth. Whatever I have said and even shouted about this, the hard remainder has been zero.

[ROSSIYA] What is your attitude to the issuing of vouchers?

[Volskiy] "If the stars come out in the sky every evening, this means that somebody has need of this." But who? Why did we issue 150 million vouchers onto the market simultaneously, for it was obvious that they would be sure to fall to half their value? Somebody suggested this prescription: Let commercial structures buy up the vouchers, people will still be given money, and then we will cancel the vouchers.

[ROSSIYA] What can you say about the $24 billion, the myth of which Gaydar repeated like an incantation?

[Volskiy] I recently suggested asking the West not to stop promising it to us. Seriously, we have not actually received anything yet. Only the Germans understand and support us. They have experienced everything. Here are two more figures for you: We owe the whole world $75 billion, but they owe us $104 billion.

[ROSSIYA] Where has the mechanism for regaining this been lost?

[Volskiy] In the sphere of management, in contacts.... If we have fallen out with Iraq, an entire chain follows automatically. A situation has taken shape in Russia itself whereby it is possible not to take account of it as before. But this $104 billion is not just military debts, it is plants, power stations, dams....

[ROSSIYA] But maybe the debt can be repaid through investments?

[Volskiy] Any option is acceptable. But there are people sitting in certain seats in the government who have never done any real work, and it remains a total mystery to them what ordinary trade missions abroad do.

[ROSSIYA] Tell me, does Chernomyrdin have normal contact with Boris Fedorov?

[Volskiy] Yes. And so do I. He is a sensible guy who cannot be duped. In short, he has his feet on the ground. He will be a good minister of finance.

[ROSSIYA] I believe Viktor Stepanovich is a very independent person, but why does he refer to you so frequently in his statements?

[Volskiy] Thank you, if that is so! But, for the purpose of self-preservation, I do not advise him to do this. I have already seen all sorts of dirty tricks. He has not.

"Civic Union"

[ROSSIYA] It is said, is it not, that many new people have joined "Civic Union" recently?

[Volskiy] This is a fact. Oleg Rumyantsev has joined "Civic Union" with his social democratic center, and others are joining....

[ROSSIYA] Are you pleased with this?

[Volskiy] It is necessary to think seriously about this. Obviously, there still cannot be a party of parties.

[ROSSIYA] Maybe the ideal thing would be some liberal union, including republicans?

[Volskiy] You understand, these are all forces at the top. People down below are united by one word—centrism. This is why the communists do not yet have a real association: They have five parties, five general secretaries, and thus five seats. But this is for the time being.

[ROSSIYA] Which trends would you single out in the present political spectrum?

[Volskiy] In my view, there are three. The right-wing orientation, "Democratic Russia" and "Democratic Choice." The left- wing orientation, the patriotic-communist bloc. And in the center, "Civic Union." All the rest are not really serious. Many people are now running to us from "Democratic Russia." I do not believe that you can change your convictions in two months, which means that this is a situation of expediency of the highest sort.

[ROSSIYA] Maybe it is not just this but also the reality of local conditions. In Krasnodar Kray, for example, "Civic Union" acts jointly with "Democratic Russia...."

[Volskiy] Maybe.... But it will be a bad thing if "Democratic Russia" finally falls apart, and just two blocs are left. Things are going that way. I believe that the communists' rational forces must strengthen. But I am tired of saying that, if these blocs break up, something could appear which will come, maybe not in a leather jacket, but in jeans and with a mauser.

[ROSSIYA] It is possible to hear the opinion that serious disagreements are occurring among the leaders of "Civic Union," particularly now....

[Volskiy] You can hear anything you like now. Incidentally, you know that I am not a member of "Civic Union's" leading structures.

[ROSSIYA] Formally is one thing, actually is another....

[Volskiy] Over the past three months I have gotten away altogether from political activity in its pure form. I have toured the regions and tackled my own direct duties as president of the RUIE.

[ROSSIYA] It should be understood that you simply are not familiar with events happening in "Civic Union...."

[Volskiy] Events happen in the country, not in "Civic Union." All of "Civic Union's" leaders keep to the same line—centrism. Although there are different opinions on operating tactics and the ethics of political conduct.

[ROSSIYA] But this is very important. And the present day provides proof of this....

[Volskiy] I agree.

[ROSSIYA] It can be seen with the naked eye that Rutskoy and Travkin tend toward parliament, while you are more a supporter of the government and the president....

[Volskiy] I would not absolutize in that way or start dividing people up here into "ours" and "yours." I will point out that I am a bad player for a show whose stage and scenery are the entire country and your life and mine. I prefer to tackle specific, useful matters.

[ROSSIYA] Tell me, Arkadiy Ivanovich, the "Civic Union" program for an economic way out of the crisis was probably prepared by your analytical center, which is directed by Professor Yevgeniy Yasin. Many journalists greatly value the work of your center's specialists, and we at ROSSIYA frequently make use of these materials. In our opinion, "Civic Union's" program could have been far better thought out had you made more careful use of your own scientists' findings....

[Volskiy] That is so. But at the time we were pursuing the aim of signing that program jointly with the government. Therefore I will agree with you here that there was something elementary about it. Otherwise we would have succeeded in nothing, and our social program, alone, would have been just oohs and ahhs. But the result was that everything was in vain, just the same. We signed the program and issued it to deputies at the Seventh Congress, but.... You know the subsequent scenario....

[ROSSIYA] Does "Civic Union" propose to use the patriotic idea for itself and, if so, how?

[Volskiy] In my view, the good words "democrat" and "patriot" have now been finally corrupted. They have now become curse words, when people want to insult someone badly.

I believe that it is necessary to use the patriotic idea at the state level, as the idea of power [derzhavnost]. Russophilism, just like Russophobia, is very dangerous in a country such as ours.

The Slavophile idea can now make headway but, I repeat, I consider such a thing very dubious in multinational Russia.

Elections

[ROSSIYA] It is said that Arkadiy Volskiy did not agree to become premier because he would be nominating his candidacy for the post of president.

[Volskiy] But we already have a president.

[ROSSIYA] Nevertheless, if "the people ask...."

[Volskiy] This has now become a cliche. Respecting your persistence, I will answer like this: "Do not frighten people in advance; some 150 aspirants for the post of president and vice president are quite enough, and the struggle for power has always simply offended me."

[ROSSIYA] Who, in your opinion, can?

[Volskiy] Well, for example, Grigoriy Yavlinskiy or Boris Nemtsov.... They are young and have no party past behind them—something with which it is so easy to rebuke me. Not that I regret my past.

[ROSSIYA] Do you believe that we can still move calmly to the new elections?

[Volskiy] Hardly.... First, there could be bizarre decisions which could grow into tragic ones. We are already observing this. Second, the world's countries must unite and give us something; we need approximately 20 billion [currency not specified] to survive. The budget sphere can live on such a sum, for example, for two years.

[ROSSIYA] According to Igor Klyamkin's sociological poll, 24 percent of the electorate would vote for "Civic Union" in an election....

[Volskiy] Yes, I read that poll. Five percent for the communists, and 3 percent for "Democratic Russia." True, I do not know how reliable those data are. The election of the mayor of Moscow will soon take place—which will be a very important signal for everyone.

[ROSSIYA] What do you think: When, after all, will the new elections take place?

[Volskiy] There is an urgent need for them.

Banks

[ROSSIYA] Questions of replacing the leadership of the Central Bank are now being raised once again. Do you find a common language with Viktor Gerashchenko? It is known that initially he was your ally....

[Volskiy] Yes. But then our relationship changed, and today it is one of positive neutrality. Gerashchenko is undoubtedly someone who knows the business of banking inside out and who enjoys prestige in the West. It is strange that he fell for the bait set by the Supreme Soviet. For nowhere are banks subordinate to anyone. Debit-credit-balance.... Everything. The rest is glitz, and then suddenly politics rears up even here....

[ROSSIYA] But what about Gerashchenko's financial activity?

[Volskiy] In my view, there are absurd things in it. Take the currency exchange in its present form—it is, nevertheless, our own invention. The bank issues 75 million [currency not specified] to the exchange and then buys back some of it itself. This is business Russian-style. I say: "Why do you buy back currency from yourselves?" The reply: "It is necessary to destroy inflationary rubles." I: "For this it is necessary to sell." They: "We do sell." I: "But why do you buy back?" They: "It is necessary to destroy superfluous rubles in this way." "Well, thank you for the explanation," I say.

[ROSSIYA] Why are Western banks not opening here?

[Volskiy] A very important question. Some time ago I gathered around me people who—I know this for sure—

have large accounts in foreign banks. We all the time shout that the sum total of this currency is approximately $17 billion or, according to other estimates, even more.

I said to them: "I have no questions as to where you keep your money, how much you have, or how you earned it. Anyway, you would not say. But please answer me: What must be done to return this money to Russia and make it work for us?" They replied: "Open several Western banks here, since we simply do not trust the Bank for Foreign Economic Activity."

Now we have started fighting for this. But such a fuss was raised as soon as applications from foreign banks arrived. It was raised by the commercial banks themselves—they said: They will bring currency not to us but to them. This is the only means of returning the $17 billion to Russia.

Forecast

[ROSSIYA] How do you see the further development of events?

[Volskiy] There is an axiom: "Until everything has been lost, nothing has been lost." If we follow this axiom, we will be optimists.

Filatov Interviewed on Congress Results

OW0104211293 Moscow INTERFAX in English 1927 GMT 1 Apr 93

["Exclusive" interview with Sergey Filatov, head of Yeltsin's administration, by unidentified INTERFAX correspondent; place and date not given—following item transmitted via KYODO]

[Text] The 9th Congress of People's Deputies has completed its work, and its results, in the opinion of some of the observers, will determine the political situation in Russia for the next several months. Head of the President's administration, Sergey Filatov, is commenting on the results of the Congress in an exclusive interview for Interfax' correspondent.

"IF" [INTERFAX]: During the Congress, the president was repeatedly resorting to compromises, trying to reach agreement with the country's supreme legislative body, yet, it appears, he failed to ward off a confrontation. Why, do you think, he didn't succeed?"

FILATOV: In my opinion, the only reason for this lies in the fact that the Congress began acting from the position of strength from the onset of its work. Once again, one of the branches of power tried to flaunt its almightiness. It would be impossible to overcome confrontation if they continued to stick to such a policy. Their refusal even to try to find conciliation cannot further consolidation of the branches of power. I am under the impression that someone is intentionally setting apart the country's high-standing officials. It seems, someone wants them to set them apart as far as possible. It seems, the president, on his part, will still be taking steps trying to consolidate them.

Incidentally, we confront a serious problem here. The Congress was addressing and has resolved a great number of issues, yet the issue of the country's new constitution remains open: they chose to put it off once again. In the meantime, the issue of the country's constitution has cardinal importance. When the president proposed to hold a plebiscite to determine the degree of people's confidence in him, he was not doing it out of curiosity. He just wanted the people to express their confidence in him, as the Russian president, with the consideration of the new constitution.

It is crystal clear that the situation is becoming more and more precarious with every passing day. The existing Constitution is regularly becoming subject to various circumstantial amendments only because someone finds them convenient or expedient at a given point of time. Besides, it is common knowledge that the articles and clauses of the RF [Russian Federation] Constitution are alive with all sorts of contradictions, and no one will ever succeed in eliminating them, however hard he will try. Today, however, it has become our cardinal issue, for it hinders the country's normal functioning. The executive branch of power today is under a serious pressure, and no one can predict what will become of it tomorrow. Understandably, this situation does not promote normalization of its relations with the law-makers.

How can this government function normally, when it is openly accused of being unprofessional? The Cabinet is intermittently subject to various threats and demands to reform and re-subordinate it. I doubt it that such statements may contribute to Russia's normal development. In the meantime, this problem could be resolved once and for good by adopting a new constitution, so it will be no longer necessary to amend or correct anything in it.

"IF": What is your assessment of the resolution the Congress adopted in regards to the referendum?

FILATOV: The Congress made a "halfway" decision. Its resolution in this regard is not objective and it is spearheaded against the president, demonstrating the attitude toward Yeltsin by most of the people's deputies. It seems, the questions for the referendum were intentionally selected in such a manner as to make sure that at least one of them will reach the target which the deputies have set before themselves. This will enable them to once again reproach the president and accuse him of inefficiency as head of state.

I would like to emphasize that such a position is distorting President Yeltsin's proposal in his Appeal to the Nation. The essence of Boris Yeltsin's proposal was in confirming the confidence of the Russian people in himself and new Constitution. The Congress, on the other hand, has done everything possible to distort this proposal, seeking to discredit the president in the eyes of the Russian people.

"IF": What specific steps need to be taken to improve the situation that has taken shape?

FILATOV: I believe, the president's decree on the national referendum should remain in force, especially the provisions of this decree which have to do with the Constitution. In my opinion, the executive power bodies ought to continue addressing this work and consummate this idea by April 25. We need to create conditions for the people to answer the president's questions, as he posed them. It's very important. The people need to realize that they will have to answer these questions sooner or later.

The second problem, which all of the political parties have to be concerned with, lies in the fact that everyone clearly understands that the referendum will provide the answer the question of the early parliamentary elections. They will soon have to begin drafting the law on elections and work out their political platforms and election programs. It seems, these issue will have a major role to play in the political life of this country since all of them will affect Russia's future most directly. Everything hinges on the future parliament.

"IF": What is your assessment of the voting results?

FILATOV: Everyone knows how the voting was conducted. Yet, there is one interesting feature, not be ignored. The president is often blamed for his unpredictability. I would have to say that the Congress itself demonstrated by far greater unpredictability changing its opinion several times within a brief period of time. Everyone could see that one day the agenda ignored one issue or the other. All of a sudden this issue collects a great number of votes and the deputies include it in the agenda. On final account, however, it does not collect even half of the deputies' votes. This kind of unpredictability becomes especially dangerous the more so that the Congress of People's Deputies regards itself as the supreme government body.

As far as the results of the voting are concerned, I am aware of the fact that a group of Yeltsin's supporters, nonetheless, voted for his impeachment, as though they were trying to prod the president to resort to more resolute steps. I don't think, their position was ethically correct, yet it has a number of proponents and it collected some of the votes.

As regards the parliament speaker, I believe the Russian communists used him as a battering ram in the contention with the president. The communists betted on him, exposing their real selves. It appears they were ultimately indifferent to the fact that the situation was acquiring scandalous overtones, nor did they give any thought that as a result of such a position both the government and the people would suffer. They were just looking for a means to attain their end.

"IF": What can you say in regards to well-known statement by the president's press secretary he made on the closing day of the Congress.

FILATOV: He has the right to make statements. Yet, I believe the president's spokesman' position needs to be closer to that of the president in order that he would be able to convey his opinions. For one thing, he should, at least, coordinate his statements with the president. In this sense, I enjoy more freedom, although I belong to the same team. I don't think the Congress had to be aroused to that extent.

"IF": To what extent is the president changing or verifying his plans?

FILATOV: Boris Yeltsin is now getting ready for his trip to Vancouver. He has very serious talks in store for him. He is leaving on the 3rd of April, while the bulk of the working group have already left. After that, he is going to attend the G-7 summit in Tokyo. He is also expected to visit Siberia. For all I know, this trip has not been cancelled yet, and its time is still to be finalized.

Issues Statement on Referendum

OW0104214793 Moscow INTERFAX in English 1510 GMT 1 Apr 93

[Report prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko; from the "Presidential Bulletin" feature—following item transmitted via KYODO]

[Text] The president's chief of staff, Sergey Filatov, confirmed at a briefing on Wednesday that President Boris Yeltsin's final decision on whether to conduct a public survey along with the referendum on April 25 depends on whether the Constitutional Court recognizes as constitutional the resolution from the 9th Congress of People's Deputies regarding procedures for tallying votes. (Many experts feel that the system of needing votes from over 50% of registered voters in order to consider an issue resolved sets Yeltsin up for a defeat in the referendum. The first question in the referendum is: Do you have confidence in the president? - IF [INTERFAX]). Filatov indicated that Yeltsin would probably reject the idea for a parallel survey and that presidential structures would now concentrate on a detailed preparation of an appeal from the president to the Constitutional Court to verify the constitutionality of several decisions of the 9th Congress. The president's side decided to wait until the Congress' resolutions were published before making an appeal.

So far, as Presidential Bulletin has already reported, the Constitutional Court has been sent only one appeal on verifying the constitutionality of the impeachment proceedings conducted at the Congress. This document, according to Constitutional Court press secretary Anna Malysheva, has not yet been received. The Constitutional Court, she said, has only received a letter from Yeltsin with a list of what he considered to be violations of the Constitution which were allowed at the 9th Congress of People's Deputies. The letter, Malysheva said, is not an official petition drawn up in accordance

with established procedures, and therefore cannot be adopted for processing by the Constitutional Court.

Meanwhile, in fulfilling decisions of the Congress on Thursday, the Supreme Soviet ratified a petition to the Constitutional Court on verifying the constitutionality of Yeltsin's three decrees "On the work of executive bodies pending the settlement of the power crisis" from March 20, "On representatives of the Russian Federation President in territories, districts, autonomous regions, autonomous districts, and the cities of Moscow and St. Petersburg" from February 5, and "On the reformation of military structures of border and domestic troops on the territory of the Northern Caucasus region and state support for Cossacks" from March 15. (Regarding the last document, Yeltsin met Wednesday with Chairman of the parliamentary Council of Nationalities Ramazan Abdulatipov. Abdulatipov said they agreed that amendments need to be made to the decree on state support for Cossacks. The Council on Nationalities plans to develop two drafts of presidential decrees, which would help correct the situation - IF.)

Along with petitions from the president and the Supreme Soviet, in the near future the Constitutional Court will have to review petitions from groups of people's deputies regarding verifications of the constitutionality of decisions from both the most recent and the previous Congress of People's Deputies.

Labor Federation Urges Unions To Support Referendum

OW0204111993 Moscow INTERFAX in English 1056 GMT 2 Apr 93

[Following item transmitted via KYODO]

[Text] The Presidium of the council of the Federation of Independent Labor Unions of Russia (FILUR) has urged the nation's labor collectives to support the April 25 referendum. An appeal from the FILUR leadership states that "the solution to the crisis in the present conditions is possible only through the will of the people, early elections of the people's deputies and the president, and the adoption of a new Russian Federation Constitution."

Labor unions are not fighting for power; they are prepared to collaborate with parliament, the president, and the government under the conditions of strict observance of the Constitution and respect for the rights of workers, in whose interests reforms were promised, stresses the statement.

Opposition To Steer Voters Toward Referendum Answers

OW0104170893 Moscow INTERFAX in English 1636 GMT 1 Apr 93

[Following item transmitted via KYODO]

[Text] "The 9th Congress of People's Deputies has averted an attempt at a coup d'etat, yet it failed to fulfill its primary mission—impeachment of President Yeltsin." Ilya Konstantinov, one of the leaders of the oppositional National Salvation Front, said this at a press conference in Moscow on Thursday. He stressed that the National Salvation Front supports the Congress' decision to bring four questions to the national referendum. The Front, he said, will launch a propaganda campaign, calling on Russian citizens to answer negatively to the questions of their confidence in the president and their support of the socio-economic policy pursued by him and the RF [Russian Federation] government and say 'yes' to the questions on early elections for the president and the government.

People's Deputy Vladimir Isakov indicated that in establishing the requirements for vote counting during the referendum (50% of all the eligible voters), the Congress proceeded from the president's assertion that the issue of the peoples confidence in him should be closely associated with the issue of Russia's new Constitution. "It's a super-constitutional issue," Isakov avers.

Asked whether he envisaged any possibility for the opposition to join the coalition government, Isakov answered that the incumbent government was literally reduced to the level of a president's office. In his turn, Mr Konstantinov said that "the opposition activists who would choose to join the coalition government in the Yeltsin Administration will no longer be regarded as opposition members."

The oppositional faction "Rossiya" holds that the statement made by Defense Minister Pavel Grachev in Brussels announcing a suspension of troop withdrawal from the Baltic countries was "timely, if not delayed." At a press conference on Thursday, its leader appraised Grachev's statement as upstanding, saying it was indicative of Russia's reconsidering its attitude toward the issues of social protection of the army.

The faction "Rossiya" made public its own statement containing an expression of concern over the proposed meeting between the Russian and Georgian defense ministers which is due to take place later in April. The statement also contains a demand to "put an end to providing arms to the totalitarian regime in Georgia."

Commenting on the results of the 9th Congress, Sergey Baburin observed that "it was a close call for the president and he barely evaded impeachment. I hope the next Congress will do it," he said.

One of the leaders of the Russian Popular Union Andrey Andreyev said that during the Congress, the Union was ready to counter any power moves of the executive branch had it resorted to them. In his words, the Union had devised a special operative plan and formed a 1000-strong regiment. The latter, in his words, was to assist the police in combatting "paramilitary criminal

democratic formations" and "the government forces." In the meantime, Mr Andreyev claimed that the regiment was not armed.

Baburin: Referendum To Prompt Early Presidential Election

LD0104181093 Moscow ITAR-TASS in English 1459 GMT 1 Apr 93

[By ITAR-TASS correspondent Vladimir Shevel]

[Text] Moscow April 1 TASS—The "Russia" parliamentary group believes that the Ninth Congress of People's Deputies (supreme legislature) fulfilled its main task of preserving the constitutional system in the country and "preventing the establishment of a open dictatorship", group coordinator Sergey Baburin said at a news conference on Thursday devoted to the results of the congress and analysis of the political situation in the country.

In Baburin's opinion, the question on the Russian president's early elections will be settled as a result of the referendum on April 25. He said: "Our group believes that less than 50 per cent of voters who will come to the polls, will support Boris Yeltsin.

"We shall not object against early parliamentary elections if people express their will," he added. Baburin claimed that the success of the president's opponents will be achieved thanks to active actions by patriotic forces in localities. Opposition lawmakers will soon go to various Russian regions to explain their position on the eve of the referendum, Baburin concluded.

Poll Shows 33 Percent Want Power Entrusted in President

OW0204080193 Moscow INTERFAX in English 0656 GMT 2 Apr 93

[From the "Viewpoint" feature prepared by the Public Opinion Foundation—following item transmitted via KYODO]

[Text] **To Whom Should the Power in Russia Be Entrusted**

This type of question was put on the questionnaire by the Public Opinion Foundation at the beginning of March. 1,054 persons were asked.

One-third of the respondents—33%—said that the power in Russia should belong to the President. 15% believe that it should be entrusted to the Supreme Soviet. And every fourth respondent—25%—thinks that a principle of separation of authorities should be observed in the RF [Russian Federation], and as to the 27% of others, they found it difficult to give an answer.

Commentary From the Public Opinion Foundation:

25% of Russians are convinced that the principle of separation of authorities should be followed. Undoubtedly, everyone believes in it, but the problem lies in the fact that, unfortunately, this principle does not work. And, if the decision of the people's deputies who tried to find a way out in this crisis situation was to substantially redistribute power in favor of the Congress and the Supreme Soviet, the public opinion, however, is directly opposite.

Among those who thought that the way out of the power crisis was a redistribution of powers, two-thirds gave preference to the Presidential ruling, and only one-third stood up for supremacy of Parliament. Mostly the transfer of power to the President was the ideal that appealed to the younger and more educated part of the polled public. Among the social groups only one (managers of the state sector) preferred parliamentary and not presidential ruling (23% and 18%). In all other groups of population it is the presidential ruling that had a clear-cut support: among the entrepreneurs the ratio was 52% and 9%, among professionals with college education it was 38% and 12%, among school and college students it was 33% and 6%, and among the workers—32% to 20%.

Free Russia Party Calls For Early Elections

LD0104165393 Moscow ITAR-TASS in English 1620 GMT 1 Apr 93

[By ITAR-TASS correspondent Vladimir Schevel]

[Text] Moscow April 1 TASS—"Failing to pass a resolution on early elections of the Russian president and deputies' corps, the congress has not become a factor of society's stabilisation," says a resolution adopted by the board of the People's Party of Free Russia, co-chaired by Russian Vice-President Aleksandr Rutskoy. The resolution contains the party's assessment of the 9th Congress of Russian People's Deputies.

The resolution says that the referendum will not resolve the conflict between the branches of power, but it can open a way to the renewal of the political system in the country.

The party's board suggested that its regional departments call on the party's supporters to vote at the referendum for early elections of the president and people's deputies.

Critical of Congress

OW0104171393 Moscow INTERFAX in English 1637 GMT 1 Apr 93

[Following item transmitted via KYODO]

[Text] The resolution of the Popular Party of Free Russia's board (PPFR), distributed on Thursday, states that the Congress of the Russian People's Deputies has not promoted the stabilization of the political situation

in this nation. The Congress, the resolution underlines, has failed to solve the issue on the people's confidence in the President and deputies "by the only honest way, that is, by appointment of simultaneous and premature presidential and parliamentary elections."

According to the PPFR, in this form or other, a referendum on those issues which have been determined at the Congress "will not solve the crisis of powers but it can open a way to the renewal of the political system." That is why the party's board called on its supporters "to give their votes for premature elections of the President and People's Deputies at the referendum."

Constitutional Court Resumes Moscow Decree Hearing

LD0204093093 Moscow ITAR-TASS World Service in Russian 0340 GMT 2 Apr 93

[By ITAR-TASS correspondent Aleksandr Krasulin]

[Text] Moscow, 2 Apr—The Constitutional Court hearing on the so-called "Moscow case" resumes today. At the request of a group of people's deputies the court is investigating whether two presidential decrees—on additional powers for administrative bodies in Moscow and accelerated privatization of municipal assets—comply with the Constitution or not. It is also examining a joint decision by the president and the chairman of the Supreme Soviet on the administrative and territorial division of Moscow, as well as one article in the law on local soviets and administration.

The hearing was adjourned for a week at the start of March in view of the need "to study the way in which the disputed enactments are being applied." However, subsequent events connected with the president's appeal to the citizens of Russia and the political skirmishing at the Ninth Congress of People's Deputies prevented the Constitutional Court from returning to this question on schedule.

Cabinet Moves Seen as No Change of Course

MK0104061493 Moscow SEGODNYA in Russian No. 6, 30 Mar 93 p 2

[Mikhail Leontyev article: "Government: Financial Stabilization or 'Relief from Life'"]

[Text] Last week the president made a few changes in the government which shortly before had unanimously supported him in an extreme situation. At first sight, the changes affected key posts defining economic policy. Andrey Nechayev was dismissed from the position of economy minister, and Vasiliy Barchuk was replaced as finance minister by Boris Fedorov, vice premier for macroeconomics. Nechayev's long-expected resignation, however, landed him a fairly important post as head of the Russian Finances corporation which he took up without even having to move out of the monumental building of the State Planning Committee [Gosplan]. The minister's duties will be exercised by his first deputy, Andrey Shapovalyants, an extremely experienced professional who has in fact been running the day-to-day work of the Ministry of the Economy.

The resignation of Vasiliy Barchuk, a man who played a decisive role in ensuring the relative success of the first few months of Gaydar's reforms, was due, contrary to rumor, primarily to his state of health. Boris Fedorov, who has been overseeing the activity of both ministries as part of his duties, has taken up the post of finance minister.

The departure of yet another man from the "Gaydar team"—Boris Saltykov—from the post of vice premier in charge of social matters to his former place as minister of science and technology can also be seen as a fact of the actual situation. As of today the nature of changes in the government points rather to an absence of change. Even Boris Fedorov's appointment is more interesting as a further move in the open war with the Central Bank leadership. After all, it is the post of Central Bank chairman that has been of "strategic interest" to the present macroeconomics team of the government.

The absence of substantial changes as such does not mean that they will be possible in the near future [sentence as published]. Shapovalyants is seen by many as a transitional figure; the post of finance minister is political and can be seen as a serious stake in the political game with the constructive opposition. In this case there is an obvious and fairly ready candidate—Yevgeniy Saburov, who was also Russia's economy minister, actually clearing the way for the Gaydar team with his resignation from the Lobov government. For all his close relationship with Civic Union leaders, Saburov is not at all a representative of the opposition, not to mention the fact that he is faithfully working for the government. However, although Saburov's candidacy has repeatedly figured in all scenarios of "broadening the base" of the government, it has not so far met with positive interest from the president.

The post of vice premier for social matters, as if by its own nature specially designed for coalition combinations, has fallen vacant. Especially given that since Aleksandr Shokhin's departure into foreign economic activity, there are no people left in the present team capable of dealing competently with the social sphere. There are such people in the Yavlinskiy team and in the Saburov team, but Yavlinskiy's participation in political combinations with the president does not appear very likely.

On the other hand, in the European practice of left-of-center coalitions, the posts of labor and social security ministers have traditionally been handed over to communists or socialists, who have always taken a close interest in this sphere. (In our situation the "leftists" in a likely coalition could well be the so-called "centrists.")

As for further "adjustments" in the government, the rumors being circulated via, among others, news agencies about the allegedly predetermined resignation of Anatoliy Chubays appear groundless. Chubays has a fairly complicated relationship with the premier based on conflicts with those sectoral ministers who would like to pursue separate privatization programs in their own ministries. The Chubays department could be blamed for a number of rash moves in the fuel and energy sector to which the premier is especially sensitive (this refers primarily to a persistent, although, fortunately, unmaterialized wish to revise the edicts on creating holding companies in the oil and gas industry). Today, however, a radical change in the privatization mechanism could have catastrophic implications for the economic evolution process. Chubays remains guarantor of the preservation of this mechanism. Incidentally, the fall in the rate of the voucher itself in fact has nothing to do with the appraisal of the success of voucher-based privatization, if the voucherization program ceases to be reduced to purely utilitarian social tasks. Chubays' departure now could make nonsense of the efforts to expand the government base. After all, it is surely not Khizha with whom our "centrists" will be building a coalition.

The post of foreign economic relations minister could also be an object of bargaining. Although the positions of present Minister Sergey Glazyev cannot arouse any fundamental objections from the industrialists, the personal ambitions of Civic Union leader Aleksandr Vladislavlev traditionally extend to this post.

Whatever the personal composition of the government might look like, however, it should be capable of resolving—and fairly quickly—one far from banal task: to conclude a new agreement with the IMF presenting commitments for pursuing financial policy responding even to the fairly lenient demands of this organization. The upcoming referendum that is calling for unprecedented activity in the sphere of social protection of the populace cannot divert attention from this task. In fact, very much to the contrary.

The fact is that the former agreement expired on 31 December 1992. Over this year we have failed to pay some $18 billion in interest on matured credits. We have no debt rescheduling agreement with the creditors, but an agreement with the IMF has made it possible to make payments. Now, as of this year Russian imports are being de facto sequestered. As a result we have accomplished such a success as a positive foreign trade surplus: Exports are double the volume of imports. If this situation continues, in the next two months, according to Vice Premier Shokhin, imports will halve again.

And then the revived socialist competition between the president and parliament over the "restoration of savings" and "stabilization of the living standards" of the unfortunate populace is doomed to failure as the object of concern disappears. Either the government, no matter which, restores imports and stabilizes finances, or it will be following the precepts of Ruslan Imranovich Khasbulatov: "We should so formulate socioeconomic policy that people are able to feel relief from the life they lead."

Communist Party Claims To Number 'About 600,000 Members'

PM0104144993 Moscow SOVETSKAYA ROSSIYA in Russian 1 Apr 93 p 1

[Unattributed untitled report]

[Text] The Communist Party of the Russian Federation [CPRF] already numbers about 600,000 members. Gennadiy Zyuganov, leader of the party's Central Executive Committee, stated this at a CPRF leadership press conference yesterday.

In reply to an ITAR-TASS correspondent's question about the situation in the Russian communist movement, Gennadiy Zyuganov pointed out that, unlike several other parties and groupings with a communist orientation, the CPRF, whose membership exceeds by 50 percent that of all the other parties combined, "has always and exclusively used legal and constitutional methods." He gave a positive assessment of the situation as a whole in this area. "We are in daily contact with many parties and discuss all our most important steps together."

Text of Presidential Decrees on Saltykov's Status

PM0104132993

[Editorial Report] Moscow ROSSIYSKIYE VESTI in Russian 27 March 1993 carries on page 1 five Russian presidential edicts on personnel actions relating to the composition of the Council of Ministers, as summarized in first referent item. The edicts relating to V.G. Saltykov read in full as follows:

"Edict of the President of the Russian Federation Edict 'On V.G. Saltykov'

"V.G. Saltykov is relieved of his position as deputy chairman of the Russian Federation Council of Ministers-Government after representations from the chairman of the Russian Federation Council of Ministers-Government.

"[Signed] President of the Russian Federation B. Yeltsin
"Moscow, the Kremlin
"25 March 1993
"No. 402

"Edict of the President of the Russian Federation 'On the Minister of Science and Technical Policy of the Russian Federation'

"Boris Georgiyevich Saltykov is appointed minister of science and technical policy of the Russian Federation in connection with the transformation of the Russian Federation Ministry of Science, Higher Education, and Technical Policy into the Russian Federation Ministry

of Science and Technical Policy on the basis of Russian Federation Law No. 4547-1 of 25 February 1993 'On the Reorganization of Federal Organs for the Administration of Higher Education.'

"[Signed] President of the Russian Federation B. Yeltsin
"Moscow, the Kremlin
"25 March 1993
"No. 403"

Media Issues

Poltoranin: Congress Resolutions on Media 'Illegal'

LD0104193093 Moscow Ostankino Television First Channel Network in Russian 1700 GMT 1 Apr 93

[By Aleksandr Lutskoy with introduction by announcer; from the "Novosti" newscast]

[Text] Mikhail Poltoranin, the leader of the Russian Federal Information Center, made a noteworthy statement at his news conference today saying that according to his information, the Russian president does not intend to hold an alternative referendum. The news conference was principally devoted to the protection of press freedom.

[Lutskoy] The journalists were handed the text of a statement which talks about the threat to the media posed by the majority of the current corps of deputies. In Mikhail Poltoranin's view, the congress' resolution on measures to guarantee freedom of speech for state television and radio broadcasting is illegal. He expressed his conviction that the Constitutional Court will objectively evaluate how the resolution adopted corresponds to the law. Poltoranin also thinks that the congress resolution to get rid of the Federal Information Center is also illegal. The speaker was particularly alarmed by local authorities' attempts to seize regional television and radio companies. In Poltoranin's view there is a real threat that the workplace of journalists will turn into an arena for armed clashes between political groupings hungry to take over the fourth estate.

People's Deputy Sergey Yushenkov, the other participant in the news conference, quoted a very interesting document: the draft regulations for a department for the protection of the Russian Federation's Supreme Soviet. The plan is that people working for this department, after undergoing special training and being equipped with standard issue weapons, will guard the speaker, his deputies, members of the presidium, and other parliamentary leaders named on a special list. It is true to say that this is still just a draft. It has now been sent to be examined by experts in the appropriate Supreme Soviet committees and commissions.

Information Ministry Views Congress Actions on Media

LD0204124393 Moscow Russian Television Network in Russian 1000 GMT 2 Apr 93

[By N.Buchatskaya; from the "Vesti" newscast]

[Text] A news conference on the results of the ninth congress and mass media freedom was held at the Ministry of Press and Information today. It dealt with the congress resolution on the resubordination of mass media to legislative bodies and the establishment of a monitoring committee.

Mikhail Fedotov, minister of press and information, asserted that the congress has long been moving toward adopting such an act, but, as the minister put it, it had taken some time to cross the threshold. The resolution that has now been adopted contravenes Article 4 of the Constitution of the Russian Federation, as well as a whole range of other articles and laws.

The Constitutional Court has already received an application signed by 106 people's deputies, questioning the validity of the resolution.

Vadim Lisin, chairman of the parliamentary committee for mass media, regards monitoring councils as a normal thing. Asked how it corresponds with the law on mass media, Lisin replied that the situation is changing with time, and the congress was entitled to introduce amendments to the law on the press. Moreover, Vadim Lisin believes that it is too extravagant for the state to have four television channels—two would do perfectly, he said. There should, however, be non-state private television companies, he stated.

Aleksey Simonov, chairman of the Foundation for the Protection of Glasnost, noted that although the resolution is a short-term one, until the adoption of a law on television and radio broadcasting the situation is close to stalemate, since it is unlikely that this law will be adopted soon.

Fedotov Says Decision Violates Constitution

LD0204030593 Moscow Russian Television Network in Russian 1600 GMT 1 Apr 93

[By correspondent S. Dadyko; from the "Vesti" newscast]

[Text] The decision of the Ninth Congress of People's Deputies on measures to ensure freedom of speech in state television and radio broadcasting has generated much reaction in journalistic circles. Mikhail Fedotov, Russian minister of the press and information, today attended a roundtable with the characteristic name "Freedom of Speech or a Return to Censorship?" in the Russo- American information press center.

[Begin Fedotov recording] That decision is directed toward placing television under the control of the representative organs of power. [end recording]

In the view of the minister—who is, incidentally, a lawyer by training—the Congress of People's Deputies can and must adopt new laws and make changes to old ones, but it has no right to infringe on legislation that is already in existence. The congress' decision directly violates certain articles of the Constitution and the law on the media. Thus, according to the law, no one can become a co- founder of a television company without the consent of the other co- founders; and interference by any bodies in the professional activities of television staff must immediately entail the elimination of those bodies. The existence of watchdog councils, Mikhail Fedotov thinks, is possible in principle, but that must be agreed upon in a new law on state television and radio broadcasting, adopted separately.

All-Russian State TV, Radio Chairman Elected

LD0104161793 Moscow Mayak Radio Network in Russian 1430 GMT 1 Apr 93

[Text] Today, by decision of the conference of the labor collective, Oleg Poptsov was elected chairman of the All-Russian State Television and Radio Broadcasting Company, and Anatoliy Lysenko was elected its general director.

This decision was carried by a majority of votes among the company delegates convened today: 143 in favor, 3 against; 1 ballot paper was found invalid.

At the conference a decision was made to hold elections on 5 May to the Council of Labor Collective. Until this time, by decision of the conference, the powers of the Central Commission have been transferred to the organizing committee of the conference of the labor collective.

Economic Issues

Geraschenko Letter to Chernomyrdin Defends Policy

PM0204112593 Moscow ROSSIYSKAYA GAZETA in Russian 2 Apr 93 First Edition p 3

["Almost full" text of letter sent by Central Bank Chairman Gerashchenko to Premier Chernomyrdin: "Viktor Gerashchenko: Realistic Approach Lacking"; first three paragraphs are editorial introduction]

[Text] The conflict between the government and the Central Bank of Russia has escalated into an academic argument conducted by letter. Citing INTERFAX, our newspaper reported 25 March that Vice Premier Boris Fedorov had sharply criticized the Central Bank's policy and called for the resignation of its leadership, sending several documents to the president, government, parliament, and the Central Bank of Russia Board of Directors.

The editorial office has in its possession a long letter from Viktor Gerashchenko to Premier Viktor Chernomyrdin, in which the head of the Central Bank responds in detail to the vice premier's comments on the draft "Basic Guidelines for Monetary and Credit Regulation in 1993" drawn up by the Central Bank of Russia.

We think that this response will be of interest to readers, since it essentially deals with the pace and direction of reform, and we are publishing the letter almost in full. The editorial office has also asked Boris Fedorov to put his point of view in our pages. He has agreed. We will shortly be publishing this article too.

The Central Bank of the Russian Federation has attentively studied the comments made by B.G. Fedorov on the draft "Basic Guidelines for Monetary and Credit Regulation in 1993" and considers it its duty to report the following.

Without giving a detailed explanation of the causes which led to the sharp deterioration in the socioeconomic situation, I would like to stress that the country has found itself trapped in stagflation (a combination of inflation and falling production—Ed.). Under these circumstances, the economic policy that has been pursued has faced an objective need to achieve two contradictory aims—to fight inflation and overcome the production slump, and to provide social protection for the population. Correspondingly, the Bank of Russia has had to seek unusual solutions in the context of the continuing slump in production and investment activity.

The sharp reduction in credit investment in the economy at a time of changing price levels has led to the nonpayment of huge amounts of money. The Bank of Russia has had the urgent task of overcoming the cash crisis, easing enterprises' burden of reciprocal indebtedness, and maintaining vitally important sectors of the Russian economy.

It cannot be denied that in this dramatic situation the Bank of Russia has made mistakes. But, in our view, there is no basis for B.G. Fedorov's claim that the draft "Basic Guidelines for Monetary and Credit Regulation" take no account of the government's economic program and the actual situation in the country.

Moreover, the lack of a realistic approach to the assessment of the actual situation in the country—based on consideration for the sum total of factors involved in the transition to the market rather than commonplace postulates gleaned from Western textbooks on macroeconomics—should be put down to B.G. Fedorov. The Bank of Russia cannot fully agree to the economic program proposed by B.G. Fedorov because it mainly boils down to a mechanical transposition of the principles of formulating and implementing monetary policy in countries with developed market relations.

Only the copying of foreign canons can explain the reference to the R. Dornbusch and S. Fischer textbook. When B.G. Fedorov is confused about how this demand can be other than monetary, he is forgetting that for 70 years our economy was not monetary and, consequently, the demand in it was not monetary. Even in the consumer sector it was distorted by administrative prices and shortages. Elements of nonmonetary demand continue to exist even now, which has been particularly reflected in enterprises' nonpayments—an effective strategy for whose regulation the government was unable to elaborate in 1992.

It is easy to accuse the Central Bank of the Russian Federation of inadequately opposing the calls for a continuous buildup in emissions. It is far harder to implement a tough incomes policy, to strengthen the tax base, to lay the foundations for a corresponding market-based philosophy of price control (in the form of agreements between employers, trade unions, and the government, for instance), and to fully exercise the functions of owner in the state sector. Of course, almost zero inflation could have been achieved by means of a wholesale increase in unemployment in the absence of any mechanism for supporting the unemployed—that is, making the classic Phillips curve work to the full. But who, apart from Russia's population, would pay the price for these economic experiments?

It is impossible to agree with B.G. Fedorov's assertion that the draft contains no clear guidelines for monetary and credit policy, boils down to generalities and, at best, predictions, and is also based on a misunderstanding of the nature of money and the role of the Central Bank.

First, in the "Basic Guidelines" the Bank of Russia cited specific calculations for the size not only of the money supply, but also of centralized credit. The Bank was working on the basis that the uncertain economic outlook did not permit money supply dynamics to be determined with sufficient reliability before the end of 1993. This explains the proposal to amend the monetary and credit policy targets [tselevyye oriyentiry] on a quarterly basis.

Second, it is well known from world experience that money supply targeting (defining specific amounts—Ed.) is always 'multi-pronged' [osushchestvlyayetsya v vide 'vilki'] and, consequently, is more in the nature of a forecast, albeit within a narrow range.

Third, selecting a target from the "family" of monetary aggregates is an empirical procedure. And there is nothing to prevent calculations being made on the basis of different components of aggregate money supply.

The calculation adopted in the "Basic Guidelines for Monetary and Credit Regulation" for money supply target growth using M2 (an index reflecting aggregate funds in the accounts of enterprises and citizens at savings and commercial banks, and cash in circulation—that is, money which can easily be transferred to the marketplace—Ed.) is based on a methodology generally accepted worldwide. The Bank of Russia draft outlines in sufficient detail a moderately restrictive scenario for monetary and credit policy associated with money supply growth of 18-20 percent a month in the first quarter of 1993, and justifies its preference for this scenario from the standpoint of actual economic goals. Incidentally, the targets set by the Bank of Russia for the first few months of 1993 were comparable to the figures prepared by IMF experts. But the Bank of Russia experts also calculated guidelines for growth in Central Bank of Russia lending to commercial banks and the government which correspond in value terms [otsenochno] to the already declared principles for money supply growth. In the event of the Supreme Soviet approving the Bank of Russia's monetary and credit policy it is these indicators that will act as controls limiting emission.

It his comments B.G. Fedorov claims that the Bank of Russia works on the assumption that growth in prices is, as it were, in no way dependent on current or past emission of money. However, the "Basic Guidelines" say unambiguously: "The very acute shortage of circulating capital, which is essential not just for expanded but for simple reproduction, and the inappropriate reduction in budget expenditure, including expenditure on social needs, forced an increase in the budget deficit, the nominal incomes of the population, and the money supply. Otherwise the slump in output and social tension would become explosive in nature. The price of this, however, is an accelerated rate of inflation."

I would like to draw attention to one more dependency indicated in this thesis. The budget deficit is the main cause of the issuing of money and of short-term and long-term inflation and, consequently, of the fall in investments and the threat of deindustrialization of the country. No matter how much certain members of the government would like to present their role in the generation of inflation as of little significance, the credits given to the government in 1992 played a crucial role in the growth in the emission of money. In practice the government borrowed resources from the Bank of Russia in excess of twice the sanctioned budget deficit.

As far as the unlikely attempt to establish a target for the growth in cash in circulation is concerned, this actually involves forecasts of the economy's cash needs. Everyone remembers the cash crisis and the delays in paying wages, allowances, and pensions in the first half of 1992. This crisis was due to a considerable extent to the government's miscalculation of the need for enormous growth in cash requirements after the liberalization of prices.

In 1993 the Supreme Soviet and the government will inevitably be forced to take measures to increase pensions, the minimum wage, allowances, and so forth, which leads to considerable growth in cash turnover. Given those conditions, there is no certainty that it will be posible to avoid interruptions in the supply of cash to the economy. That is precisely why the Bank of Russia deems it essential to forecast cash requirements in order

to take timely measures to prevent potential but completely unjustified crises which undermine confidence in money and inflame social tension.

Fedorov's claim that the draft is not underpinned by instruments of monetary and credit policy, the means whereby particular targets can be achieved, does not correspond to reality.

You can talk as much as you like about the need to apply all the instruments of monetary policy well known in world practice, but, if there is no possibility of calling in reserve credits [otzyv rezervnykh kreditov] via operations on the open market, there remains only one real instrument—sensible regulation of the size of Central Bank credit, which is very difficult in conditions of excessive increase in the government's borrowing requirements. This growth, as is well known, can only lead to many enterprises being forced out of the credit market, a market which is, moreover, not yet developed, and to enormous growth in the emission of money, which in both cases intensifies inflation. Despite this, the government has continued insisting right up to the present time on completely unwarranted concessions in terms of interest rates for itself and on the maintenance of long-term credit.

Fedorov's claim that the draft does nothing about combating inflation and that certain of its provisions indicate a desire on the Central Bank's part to take clearly pro-inflationary steps, does not correspond to reality.

The "Basic Guidelines" stress that the Bank of Russia sees its main task as restricting the inflationary factors which depend on the growth in money supply. At the same time the Central Bank considers that reducing inflation is not something to be secured at any price. Dynamic economic development, the desire for price stability, a socially acceptable level of unemployment, and a balanced external account are the ultimate goals of monetary policy. In conditions of stagflation most central banks seek to avoid lapsing into the doctrinal rigidity of often unprovable theoretical postulates and seek to find the most sensible combination of indicators which reflect the contradictory objectives of economic policy.

The Bank of Russia would not like to regard B.G. Fedorov's comments as pursuing any personal aims. It is most likely a case of differences in approaches to the principles, speed, and methods of carrying out market reforms in the Russian economy. But the blitheness with which B.G. Fedorov ventures to claim that "the document presented by the Central Bank is an amazing combination of lack of principle and lack of professionalism" and that its authors "have discharged a purely political task" is then altogether inexplicable.

Military & Space Issues

Yeltsin Signs Decree Appointing New Pacific Fleet Chief

LD0104200793 Moscow ITAR-TASS in English 1940 GMT 1 Apr 93

[Text] Moscow April 1 TASS—Russian President Boris Yeltsin has signed a decree, appointing Vice-Admiral Georgiy Nikolayevich Gurinov commander-in-chief of the Pacific Fleet today, the Presidential Press Service announced on Thursday.

In accordance with the decree, former Commander-in-Chief of the Pacific Fleet Admiral Gennadiy Khvatov has been relieved of his post and discharged from service at the recommendation of the Russian Defence Ministry.

Glazyev Says Weapons Exports To Remain at 25-30 Percent

LD0104170593 Moscow ITAR-TASS in English 1531 GMT 1 Apr 93

[By ITAR-TASS correspondent Sergey Podyapolskiy]

[Text] Moscow April 1 TASS—Russia is not going to "militarise its industrial export" and the share of weapons will continue to comprise 25-30 per cent, according to Russian foreign economic relations minister.

However, Sergey Glazyev told reporters on Thursday that Russia will strive to the maximum to trade in arms.

Russia will continue to export power-engineering and transport machinery and will try to boost sales of ships, tools, laser and atomic power-engineering equipment, he said adding that all converted defence enterprises have something to market abroad.

Russia will ship its goods mostly to developing countries as there are few chances to market them in industrialised nations because of tough competition and tariff barriers.

Glazyev denied accusations that Russia is using dumping prices to move its products to Western markets. The government does not subsidise space services and aircraft production. Low prices on the products are explained by cheap labour and efficient production, he added.

The minister said that Russia sets export prices higher than the cost of the products to avoid conflicts with competing Western countries. Talks on equal competition on the market of space services yielded no results so far and Russia cannot obtain the right of an equal partner in launching space satellites.

The minister believes that Western aid to Russia should include not only credits, but also non-discriminative access to hi-tech Western markets.

Cites Figures for Military-Technical Exports

OW0104172393 Moscow INTERFAX in English 1638 GMT 1 Apr 93

[Following item transmitted via KYODO]

[Text] The Russian Foreign Economic Relations Minister Sergey Glazyev advocated establishing "more or less civilized rules of the game" at the international arms market. In response to our Interfax correspondent at a press conference on Thursday [1 April], he indicated that many arms dealers resort to unconscientious competitive struggle, for example, they subsidize military export. Glazyev deems it possible to create a system of consultations between states engaged in arms export. Having noted that with the disappearance of the Warsaw Pact the traditional division of spheres of influence has changed to Russia's detriment. The Minister expressed his concern due to a sharp increase in arms export from the United States.

According to Glazyev, the total volume of military-technical products' export from Russia constituted one third of the country's total export over the last few years. He declared that Russia will strive to maintain these margins in the future as well.

Glazyev has acquainted journalists with a program to stimulate industrial export approved by the session of the Russian government's presidium the day before. Speaking about the necessity to normalize trade-economic relations with CIS countries, he declared Russia's readiness to expand its economic contacts with them on the basis of a offering credits; in this situation, the Minister underlined, it is necessary to receive guarantees of the granted credits' return. The head of the Russian Foreign Economic Relations Ministry reported that inter-departmental commissions to stimulate industrial export have already been created. In addition, he said, a decree of the Russian President on wide exploitation of national currencies in accounts with Eastern European countries has already been developed.

Yerin Interview on MVD's Tasks, Problems

PM0104125193 Moscow ROSSIYSKIYE VESTI in Russian 1 Apr 93 p 2

[Interview with Colonel General of the Internal Service V.F. Yerin, Russian Federation minister of internal affairs, by correspondent Vladimir Gondusov; place and date not given: "Viktor Yerin: 'We Are Dealing with Criminal Aggression'"]

[Text] [Yerin] The MVD [Ministry of Internal Affairs] today really is a fighting ministry. This applies not only to the state of emergency zone where considerable forces are concentrated, but also to any population center. The criminal world is armed, it is more daring and better organized. The struggle against it is hard. We are losing men each year—there were 318 staffers of the organs killed and more than 500 wounded last year.

[Gondusov] It is no accident that people with combat experience are so warmly welcomed in the law and order ranks. Like the "Afghans" for example?

[Yerin] We need people with combat experience. At present there are more than 9,000 "Afghans" in the ranks of Internal Affairs organs. These people are serving conscientiously, and it is no accident that almost 4,000 of them have added orders and medals awarded for service in our ranks to their other combat awards. Each one who has gone through that war and even through our domestic conflicts has an invaluable experience which is so badly needed by our fighting department. From this viewpoint, we attach importance to the experience of Army officers, more and more of whom are joining the organs.

Russian Defense Minister Pavel Grachev and I issued a joint order on the transfer of servicemen to the militia, the Internal Troops, and the fire fighting service. There were 5,000 men recruited from the Army last year alone. There are major staff shortages, people's workload is excessive. At times we find it physically impossible to keep up with the dynamics of crime.

But even in these circumstances people's professionalism and their dedication to their work yield weighty results. We are solving eight out of every 10 homicides—this is up to and even above world standards. We are capable of conducting the most complex and risky operations to detain any criminal formations. For example, now we are investigating hundreds of criminal cases involving large-scale dealings within the banking system. Billions of rubles have been withdrawn from criminal circulation.

[Gondusov] Viktor Fedorovich, movies in the past presented the criminal as a beat-up punk with a dagger tucked inside the top of his boot, with a camp inmate's facial expression and a poor vocabulary....

[Yerin] That was true in principle. When I was young jailbirds could be recognized by their walk and by their clothing, by outward appearances as it were. The criminal world's image has changed radically since then. Now we are dealing with apparently intelligent people, familiar with computers and other technology, with foreign languages and economics. Utmost professionalism is needed to expose them.

[Gondusov] But this is for tomorrow. How about today?

[Yerin] Let me emphasize: The overwhelming majority of staffers serve conscientiously and selflessly. But the current selection system does not fully guarantee our system's purity. I will make no secret of it, our ranks also contain traitors, people who are simply dishonorable and dishonest. Such people are dismissed, criminal proceedings are instituted against them, and they are taken to court. Our stance in this regard is very tough: We are resolutely getting rid of those who yearn to derive material benefit from their service with the organs.

[Gondusov] Viktor Fedorovich, are the MVD and the other law enforcement organs making enough efforts to overcome the criminal aggression of which we are talking?

[Yerin] If anyone still believes that a fundamental breakthrough can be achieved only by strengthening the law enforcement system and instituting criminal, administrative, and other proceedings against a growing number of persons who have committed crimes and misdemeanors, any such person is profoundly confused. To tackle any phenomenon, you must get down to its roots. In view of the existing dynamics of crime, we must objectively consider: Why is society in turmoil? What ails it?

Practice testifies that whenever society is experiencing serious shocks, they invariably have an effect on the criminogenic situation. This is why the questions of public security must now be tackled specifically by all structures of power, public formations, and movements. We have actually realized this, as proved by the holding of the all-Russian conference on problems of the struggle against organized crime and corruption, which was held on instructions by and under the leadership of Russia's president.

[Gondusov] In order to feel confident, you have to be well equipped....

[Yerin] You are right. Our staffers are quite well armed today. True enough, until recently they did not have any police weapons. Specialists are now working full time on this problem.

The situation is worse as regards radio communications and transportation. In fulfillment of the instructions given by Russia's president and government, our specialists have drawn up a program for the organs' technical supplies in the immediate future. It emerges that, in order to maintain more or less normal technical standards, we will need more than 2 trillion rubles and about 0.5 million U.S. dollars over the next two-three years. A sizeable amount. But the country's leadership realizes: Tangible expenditure is needed in order to have strong internal affairs organs capable of countering any criminal manifestation.

[Gondusov] You said that an appropriate legal base exists for resolute offensive actions.

[Yerin] A series of legislative acts were adopted recently to regulate our activity: on the militia, on operational-investigative activity, on the Internal Troops.... The president and government have issued decisions to improve the staffers' material situation. This makes it possible not only to maintain the organs' potential but also to qualitatively improve it.

The Supreme Soviet is constantly working on new laws, and our own specialists participate in this work.

The vulnerability of the legislative base lies in the lack of clear definitions and sanctions. When an investigator decides to institute criminal proceedings, he is looking at—legally speaking—the norms of material evidence. He must not base his actions on emotions or political passions, otherwise he would be breaking the law. It is impossible to uphold legality by using illegal methods.

[Gondusov] Viktor Fedorovich, let me ask you a follow-up question: What is your attitude toward the law on private detective and security operations?

[Yerin] Perfectly normal. This is a universally recognized world practice. The law also clearly defines the MVD's role. Anyone wishing to open a security or investigation agency submits the documents to us. We investigate the people. If the law's requirements are met, we issue licenses and arm the staffers of security agencies.

[Gondusov] Over the last few years the MVD has been openly publicizing statistics which were diligently concealed from the public eye in the past. This has been quite a shock for the people who, for many years on end, lived according to the principle that the less you knew the better you would sleep at night.

[Yerin] I agree, openness has somewhat changed the situation. Crime statistics are always published in the press abroad, people are accustomed to seeing them and accept them as something normal. We also need such an approach. The problem is that our society today reacts more sharply to the criminal situation. Here is a paradox. Whenever I speak about by headaches and worries to my counterparts abroad, they cannot understand me. Their explanation runs along these lines: There are 5,000-7,000 crimes per 100,000 inhabitants abroad, the numbers here are 1,800 for Russia and less than 1,000 for Moscow. So, my colleagues say: You have no idea what crime means. This is a situation where we do not have to ever catch up with or overtake anyone.

[Gondusov] And yet we seem to be catching up quite quickly. What I mean is the explosion of drug addiction and all that goes with it....

[Yerin] Yes. Drug addiction is becoming the scourge of our society. I do not have explain what I mean: I came across drug addiction for the first time 30 years ago. I spent some time crawling around sundry dens, catching dealers.... I have seen more than enough. According to specialists' estimates, there are 1.5 million Russians using drugs. Man gets degraded, he turns into a living corpse. Each one of them gets more and more new people addicted to the venom. The terrifying thing is that adolescents get involved.

According to our data, the illegal circulation of drugs runs to R50-60 billion a year. Unless decisive measures are taken, we could become a staging post for the international drugs mafia.

[Gondusov] What are the ministry's immediate measures in the struggle against crime?

[Yerin] First—to drive crime out of the streets, public transport, trade network outlets, and the places where citizens take their leisure. To ensure prompt response to people's reports and notifications of committed crimes and to solve these crimes "hot on the heels" of the criminals. Unfortunately, our record in this regard is not as good as that of our colleagues abroad who are better equipped with transportation, communications, and other equipment. In order to remedy the situation, the main link of our entire system—the city and rayon internal affairs organs—will be materially reinforced this year.

Second—to resolutely put an end to the illegal circulation of weapons and to disarm the criminal elements. The MVD is continuing its practice of conducting complex operations like "Arsenal," in the course of which we have already traced and confiscated more than 18,000 illegally held "barrels" and more than 1 million rounds of ammunition.

Another priority avenue of our work is to put an end to the illegal circulation of drugs, of which we have already spoken. We have embarked on the implementation of preventive measures on the basis of the comprehensive state program for drugs control.

The protection of Russia's natural wealth—raw materials, metals, timber, and much else—from international and homegrown criminals is an important avenue of the organs' activity.

But the core of our work is the struggle against organized crime. Qualitative changes have occurred in this sphere recently. Larger numbers of additional staff have been allocated to subunits for struggle against organized crime at both central and local level. Rapid reaction subunits, professionally trained and equipped with the necessary equipment and arms, have been assigned to help them. Their activity has yielded tangible results. Criminal proceedings have been instituted against 3,000 organized groups whose members are charged with having committed 10,000 serious crimes. Money and valuables worth R3 billion and about $10 million, together with thousands of firearms, have been confiscated from the criminals.

[Gondusov] One last question. When will you feel satisfied with your achievements?

[Yerin] When people can say: We feel safe, we can see that the state and its internal affairs organs are protecting us reliably. This is the main criterion. This is the ultimate goal of our work. All the rest is secondary.

'Cosmos-2239' Artificial Satellite Launched 1 Apr

LD0204064393 Moscow ITAR-TASS World Service in Russian 0601 GMT 2 Apr 93

[By ITAR-TASS]

[Text] Moscow, 2 Apr—The Flight Control Center announced today that a Cosmos-class booster rocket was launched from the Plesetsk range on 1 April with the latest artificial earth satellite, Cosmos-2239. On board the satellite is scientific equipment intended to continue the study of space. The satellite has been placed in an orbit with the following parameters: initial period of inclination 104.8 minutes, maximum distance from the Earth's surface (apogee) 1011 kilometers, minimum distance from the Earth's surface (perigee) 979 kilometers, orbital inclination 82.9 degrees.

Apart from scientific equipment, the satellite has a radio system for precise measurement of the elements in orbit, and a radiometric system for transmitting to Earth data on how the instruments and scientific equipment are operating. The apparatus aboard the satellite is working normally.

Cargo Spaceship Docks With Mir Orbital Station

LD0204064993 Moscow ITAR-TASS World Service in Russian 0628 GMT 2 Apr 93

[Text] Moscow, 2 Apr—The Progress M-17 unmanned cargo spaceship docked with the Mir manned station at 0916 [0516 GMT], the Flight Control Center reported. Progress M-17 docked with Mir from the side where the Kvant module is located. It brought into orbit with it fuel for both its own and Mir's engines, plus equipment, scientific apparatus, drinking water, and food.

According to telemetric information and reports from cosmonauts Gennadiy Manakov and Aleksandr Poleshchuk, Mir's on-board systems are functioning normally.

Rus Standardized Launch Vehicle To Replace Soyuz, Others

PM0104134593 Moscow KRASNAYA ZVEZDA in Russian 27 Mar 93 p 4

["Own Information" report: "Russia Gives Birth to 'Rus'"]

[Text] Flight trials of a new rocket developed by the Central Specialist Design Bureau in Samara are planned for 1996. The rocket will be created without the involvement of Ukrainian specialists, as was the case before. The rocket is called the "Rus."

The "Rus" is a standardized launch vehicle designed to replace the "Soyuz," "Vostok," and "Molniya." Thanks to it, five types of motors and six types of rocket assemblies [bloki] will be simultaneously taken out of production.

A new on-board computer-assisted guidance system and original third and fourth stages constitute distinctive features of the rocket. Compared with the "Soyuz," the new rocket will carry an extra 800 kilos of payload, while the latest development of the Lavochkin Science and Production Association—a booster unit—guarantees that the "Rus" will be able to perform medium- and high-altitude orbit tasks reliably.

The possibility of carrying out launches of manned craft from the Plesetsk space center is another attribute of the new rocket.

It is planned to produce the "Rus" launch vehicle at Samara's "Progress" plant.

Supreme Soviet

Khasbulatov Spends 'All Day Resting' at Sanatorium

MK0204084693 Moscow KOMMERSANT-DAILY in Russian 2 Apr 93 p 3

[Unattributed report from "Newsmaker's Diary" section: "Ruslan Khasbulatov"]

[Text] He spent all day resting at the "Barvikha" sanatorium. According to information from the Russian Supreme Soviet press service, he did not hold any official or unofficial meetings.

1 Apr Session Rejects Amendments Bill to Referendum Law

OW0104203693 Moscow INTERFAX in English 1404 GMT 1 Apr 93

[Following item transmitted via KYODO]

[Text] The Russian parliament on Thursday [1 April] rejected in its first reading a bill "On introducing changes and supplements to the law on referendums." The document, Deputy Sergey Nosovyets of the parliamentary Reform Coalition said, proposed that the Supreme Soviet "adjust the existing law on referendums to fit the analogous resolution adopted by the 9th Congress." According to Supreme Soviet operations procedures, if a bill is not approved in its first reading, it is taken out of consideration.

The bill proposed broadening the powers of the Congress of People's Deputies over establishing the time tables for conducting referendums. According to the existing Russian Federation law "On referendums" the referendum should be conducted no sooner than one month but no later than 4 months after the decision to conduct it is made.

Another key amendments in the bill concerned the procedures for determining the results of the referendum. The existing law states that a decision will be passed on the issues raised by the referendum if it receives positive votes from over half the citizens who vote. If a referendum is held on issues of adopting changes and supplements to the Constitution, the law states, the decision will be considered valid only if over half of Russia's registered voters vote for it.

However, the 9th Congress of People's Deputies applied this latter regulation to the referendum on issues not related to the constitution. The presidential administration has already stated its plans to contest this decision in the Constitutional Court.

Deputy Chairman of the Supreme Soviet Nikolay Ryabov, who proposed the draft on amendments and supplements to the law on referendums, said that "even if the president doesn't sign the new law, it will be no tragedy, since the congressional resolution is in effect for the April 25 referendum." He claimed that "regardless of the results of the referendum, it will have no legal consequences."

Adopts Yeltsin's Amendments to Border Law

LD0104201193 Moscow ITAR-TASS in English 1703 GMT 1 Apr 93

[By ITAR-TASS parliamentary correspondent Ivan Novikov]

[Text] Moscow April 1 TASS—The Russian Parliament once again considered the "Russian Federation State Border Law" which President Boris Yeltsin had returned to the Supreme Soviet with his amendments. All amendments have been adopted.

The norm proposed by the president has been adopted, according to which border of the former Russian Soviet Federative Socialist Republic is the state border of the Russian Federation consolidated by international treaties and legislative acts of the former Soviet Union currently in force. Border of Russia with contiguous to it states, not registered officially according to international law, is liable to be consolidated through treaties.

The president's proposal to amend Article 4 was also taken into consideration and adopted. After its editing it reads: "The State Border Law is based on the constitution (fundamental law) of the Russian Federation and comprises the said law and adopted with it other legislative acts of the Russian Federation and republics forming parts of the Russian Federation. If the International Treaty of the Russian Federation has established laws other than those contained in the said law and other legislative acts of the Russian Border Law, rules of the International Treaty will apply."

Having considered the law returned by the president the Supreme Soviet adopted it. The parliament resolved to bring into force this legislative act from the moment of its publication. Until the conclusion of state border treaties with contiguous states - former republics of the Soviet Union - it has been decided to give the border with these states the status of the state border of the Russian Federation.

It has been suggested to the Government of Russia to submit a report to the parliament about the pace of the negotiation process with these states - former republics of the erstwhile USSR regarding the status, procedure and periods of deployment of units and formations of

Russian Frontier Guards and urgent measures to billet them on the state border of the Russian Federation.

Summary of Proceedings

LD0204031993

[Editorial Report] Moscow Russian Television Network in Russian at 1945 GMT on 1 April broadcasts a 28-minute recorded report on the day's proceedings in the Russian Federation Supreme Soviet.

An unidentified announcer says the Supreme Soviet session today is chaired by Yuriy Voronin. Voronin puts to the vote the draft resolution on sending a petition to the Constitutional Court over the legality of the three decrees by President Boris Yeltsin. The vote is passed.

Deputy Nikolay Zhukov, representative of the president, speaks on a draft resolution proposed by the president on measures for improving payments for communal services. Deputy Dobzhinskiy, member of the Committee for Construction, Architecture, Housing, and Municipal Services, takes the floor. He says the committee supports the draft. Dobzhinskiy says the draft is extremely necessary and asks the deputies to adopt it. The draft resolution on measures for improving payments for products and services provided by communal power engineering and water supplying enterprises is passed as a whole.

Deputy Chairman Ryabov takes the floor to propose the draft law on amendments to the law on referendum. Deputy Nosovets says the amendments proposed by Ryabov violate the law on referendum. Deputy Gleb Yakunin agreed with Nosovets. The draft law on introducing amendments to the law on referendum is rejected.

Deputy Shorin takes the floor and speaks on the draft resolution on the Russian Academy of Sciences. Various deputies debate the resolution and it is adopted as a whole.

Anatoliy Sliva, representative of the president, takes the floor. He speasks on the law on the state border of the Russian Federation which the president had returned to the Supreme Soviet for a repeated consideration. He answers questions from the audience. The law on the state border of the Russian Federation is passed.

The law on the pension fund budget for the first quarter of 1993 is put to the vote and passed as a whole.

2 Apr Session Passes Law on Using 'Russia,' 'Russian Federation'

OW0204123293 Moscow INTERFAX in English 1056 GMT 2 Apr 93

[Following item transmitted via KYODO]

[Text] At a session on Friday [2 April] the Russian Supreme Soviet passed a law "On the use of the names 'Russia,' 'Russian Federation,' and words and phrases formed on their basis."

The law establishes fees to be collected for the use of the names. For enterprises, establishments, and organizations conducting entrepreneurial activities, the rate is 0.5% of the price of the product sold or services rendered. Purveying, supply, and trade (including wholesale trade) enterprises and organizations will have to pay rates of 0.05% of turnover. Other enterprises and establishments will have to pay at a rate of 100 times the minimum monthly salary payment established by law.

Exempt from the fees are the Central Bank of Russia and its establishments, Russian state budgetary funds, budget establishments and organizations fully financed from the federal budget, and media publications (except advertisements and erotic publications). Also exempt are political parties, labor unions, and other social organizations registered as Russian social associations, as well as religious organizations.

Passes Law on Grain Production, Imports

LD0204130693 Moscow Radio Rossii Network in Russian 0900 GMT 2 Apr 93

[Text] Today the Supreme Soviet adopted a law on grain. This document regulates relations between grain producers and the state. It establishes procedures for state funding and financing of work connected with the production, processing, and storage of grain and seeds. The law also regulates procedures for the export and import of grain.

Holds Last Joint Sitting Before Break

LD0204125693 Moscow Ostankino Television First Channel Network in Russian 0800 GMT 2 Apr 93

[From the "Novosti" newscast]

[Text] It looks as if the last joint sitting of the chambers is being held in the Russian parliament today before deputies go to their okrugs. The agenda is very full. It is planned to discuss draft laws on the status of the capital of the Russian Federation and on introducing amendments and addenda to the law on medical insurance of the population, in connection with a return of this document by the president for further consideration. At the insistence of deputies the issue relating to the status of small ethnic groups of the Russian Federation was included in the agenda. It is also planned to adopt several decisions, including decisions on the fulfillment of the program for the privatization of state and municipal enterprises in 1992 and on expenses for setting up the Parlament Russian television and radio company.

Now, at the morning session, the Supreme Soviet is discussing a draft law on grain.

Session To Resume 11 Apr

LD0204115393 Moscow ITAR-TASS World Service in Russian 1005 GMT 2 Apr 93

[By ITAR-TASS parliamentary correspondent Ivan Novikov]

[Text] Moscow, 2 Apr— A week's break has been announced at the sixth session of the Russian Federation Supreme Soviet. Deputies voted for this decision at a joint sitting of the chambers today.

Next Saturday the deputies will go back to their constituencies to inform the population of the results of the Ninth Extraordinary Congress of People's Deputies and exchange views on the Russian referendum scheduled for 25 April. Then on 11 April the session will resume work, but not for long. A week before the referendum is due the deputies will have once again to put off their immediate work and make another trip to the electorate.

[Moscow ITAR-TASS World Service in Russian at 1535 GMT on 1 April adds the following: "After tomorrow's Supreme Soviet session, the deputies will depart for their constituencies. This was announced at today's evening session of the Russian Federation Supreme Soviet by Yuriy Voronin, deputy chairman of the Russian Supreme Soviet. The Supreme Soviet deputies are due to return to Moscow by 12 April for plenary sessions of parliament, which will go on until 16 April. Then the deputies will once again leave for their constituencies, where they will carry out work on preparations for the 25 April referendum."]

Regional Affairs

Chernomyrdin Continues St. Petersburg Visit

Questions Timing of Referendum

LD0204092593 Moscow ITAR-TASS World Service in Russian 0753 GMT 2 Apr 93

[By ITAR-TASS correspondents Irina Zolotareva and Lyudmila Fomicheva]

[Text] St. Petersburg, 2 Apr—The government is opposed to all extraordinary measures and will act constitutionally, Viktor Chernomyrdin, chairman of the Russian Council of Ministers, said at a meeting with district leaders from St. Petersburg and Leningrad Oblast this morning.

The prime minister, who is paying a working visit to St. Petersburg, noted, amongst other things, that in his view the way to resolve the present critical situation is to make urgent adjustments to existing laws.

In his view, "the ninth congress ended in a victory for common sense, on the whole." "But we were on the edge of an abyss. Although common sense triumphed, the final warning bell had rung. We cannot go on living in such an atmosphere," the head of the Russian Government said.

Viktor Chernomyrdin feels that the referendum is the highest court of the people. However, in his view, the question of support for socio-economic reforms should not have been submitted to it at a time when economic reforms are still in their infancy and unpopular measures have to be taken.

Confirms Cabinet's Loyalty to Yeltsin

OW0204110693 Moscow INTERFAX in English 1053 GMT 2 Apr 93

[Following item transmitted via KYODO]

[Text] Russia's Prime Minister Viktor Chernomyrdin has confirmed the Cabinet's loyalty to the Constitution and the president during the power crisis in Russia. However, he told the leaders of St. Petersburg's district authorities on Friday [2 April] that "the government will not be the president's faint shadow."

He said that although the 9th Congress of People's Deputies "has culminated in a victory of common sense, just one wrong step might have led to a disaster." He expressed disagreement with the congress' decision to include the question of socioeconomic reform in the referendum. Such a question cannot be raised at a time of tough economic policies and unpopular measures.

Chernomyrdin also said that the government had drafted a short- term reform program and a long-term one for the period from 1995 to 2000. Measures to check price-rises were one of the government's top priorities, he added.

He negatively assessed "the loss of state influence and economic de-centralization," criticized the law on state enterprises and expressed his dislike for emergency measures.

"The time has come to pass from shock therapy over to a structural policy," he said.

Speaking about agriculture, Chernomyrdin said that "it would be wrong to eliminate all state and collective farms and distribute all the land because private farmers produce very little so far." At the same time, he expressed his full support for private farmers. "I support all forms of property," he said in conclusion.

Views Reforms, Amendments to Economic Laws

LD0204124493 Moscow ITAR-TASS World Service in Russian 0950 GMT 2 Apr 93

[By ITAR-TASS correspondents Irina Zolotareva and Lyudmila Fomicheva]

[Text] St. Petersburg, 2 Apr—In implementing reforms we should seek our own Russian approach, taking into account not only the system that has taken shape and the current situation but even the Russian character, Viktor Chernomyrdin, chairman of the Russian Council of Ministers, believes.

Speaking at a meeting with leaders of St. Petersburg rayons and Leningrad Oblast today, he stressed that, relying on the proposals coming from the regions, the country's government plans to put forward amendments to a whole range of

enforceable enactments and laws, primarily to the laws on state enterprise and privatization.

Viktor Chernomyrdin said that last year investments in the national economy amounted to 6 trillion rubles. The money was provided blindly, without any idea of what would be received in return. Such things will not be repeated again. Funds will be allocated only for specific projects and programs.

"I am in favor of different forms of ownership in the agrarian sector," the chairman of the Council of Ministers stressed, "for their equality. But we should renounce the illusion that foodstuffs for the population will be increasing in proportion to the growing numbers of private farms. Last year private farms accounted for only 2.5 percent of the overall amount of agricultural output, and of that amount commodity production accounted only for 0.5 percent."

Viktor Chernomyrdin also said that the state intends to regulate electricity and gas prices in the future, too. Regarding oil, a mechanism of gradual restraints [postepennogo sderzhivaniya] on prices will operate, while prices of petrochemicals should not be restrained.

Says Reforms Need 'Corrections'

LD0104184293 Moscow ITAR-TASS in English 1400 GMT 1 Apr 93

[By ITAR-TASS correspondents Irina Zolotaryova and Lyudmila Fomicheva]

[Text] St. Petersburg April 1 TASS—Economic reforms in Russia need considerable corrections as much was left without consideration when transformations were initiated in 1992. The present-day government plans to "place many things in order in Russia" without changing the essence of reforms, according to Prime Minister Viktor Chernomyrdin.

However, "one should not count on a decision which will suit everybody", he warned industrialists in St. Petersburg on Thursday who demanded new state credits.

Granting of credits is the most pain-staking problem, according to the prime minister who added that it is impossible to use credits to offset mutual indebtedness of enterprises which amounts to five trillion roubles.

The state will take under its control the fuel and energy complex, conversion of defence industries, science and the social sphere. All the others have to adapt to market economy themselves, Chernomyrdin said.

He complained that acting legislation "does not meet the requirements of our life" and said the worst blow on industry was delivered by laws on state enterprises and privatisation.

However, the industrial collapse began in the middle of the '80s when economy experienced the "most crushing blow" of perestroyka initiated by Mikhail Gorbachev, according to Chernomyrdin. Many mistakes were made then, but on the other hand, the "country could no longer live on pure enthusiasm" and would "face a wall" if changes did not begin in 1995, the prime minister said.

Says Government Must 'Run the Show'

OW0104171093 Moscow INTERFAX in English 1636 GMT 1 Apr 93

[Following item transmitted via KYODO]

[Text] In his address to a meeting of industrialists in St. Petersburg Thursday [1 April] Prime Minister Viktor Chernomyrdin said that his government will maintain "state influence and supervision" in priority industries such as fuel and energy, conversion to civilian production, and science.

He intended to do some adjustment of the reforms without changing their purpose. "In such a country the government must run the show rather than be a puppet and weakling," Chernomyrdin said.

The directors of factories wanted the government to impose limits on fuel prices and take immediate steps to improve the functioning of the financial, crediting, and taxation system. They said that if the fuel prices go up, the St. Petersburg factories, now on the verge of stoppage, will not be able to operate. The directors think that in 1993 the city needs a 19 Bn [billion] rubles credit to keep up the supply of cash in circulation. If this amount is made available, they promise to increase the production to a total worth of 120 Bn rubles.

On the same day Chernomyrdin promised the city authorities that their suggestions on overcoming the economic crisis will be considered as a matter of priority.

Meets With Scientists

LD0104204193 Moscow ITAR-TASS in English 1814 GMT 1 Apr 93

[By ITAR-TASS correspondents Irina Zolotaryova and Lyudmila Fomicheva]

[Text] St. Petersburg April 1 TASS—Russian Prime Minister Viktor Chernomyrdin, who is on a visit to St. Petersburg, had a meeting with scientists of the city this afternoon.

"St. Petersburg is a unique centre of the Russian science and culture," Academician Dmitriy Likhachev said in his address to the meeting. "If we maintain our highest authority in the world, Russia can not only manyfold enhance its glory, but can also receive money. That is why we call on the government to help us preserve our national wealth."

Mayor of the City Anatoliy Sobchak on behalf of St. Petersburg scientists expressed the opinion that it is necessary to maintain state support to academic science,

higher education and use new forms of interaction of science, production and commerce.

In his speech Viktor Chernomyrdin said that having acquainted itself with problems of scientists, the Russian Government will try to assist them, support new initiatives and projects, and will consider a new programme for the development of science in Russia, particularly in St. Petersburg.

Addresses Workers

LD0104162793 Moscow Mayak Radio Network in Russian 1306 GMT 1 Apr 93

[Text] Today Viktor Stepanovich Chernomyrdin, chairman of the Russian Government, is in St. Petersburg. Our correspondent Matvey Frolov reports:

[Frolov] Today the premier had a very busy day. Viktor Stepanovich used his first trip to the banks of the Neva, as they say, in a first-rate fashion. He had conversations with leaders of industrial enterprises, representatives of the union of the city's associations, and leaders of St. Petersburg on problems relating to the socio-economic development of the municipal economy and the provision of foodstuffs to the city.

At the scientific center of the Academy of Sciences, the topic was maintaining the scientific and technical potential of such a major scientific center as St. Petersburg. In all, many problems and many questions were posed to the head of government.

A meeting with the collective of sewing workshops at the Pervomayskaya Zarya joint stock company—a factory—was very interesting and fruitful. It is a famous firm, making women's clothes. The work of its enterprises is stable, and output is increasing. Its goods are of high quality and in high demand.

Viktor Stepanovich visited workshops and familiarized himself with new goods. A very warm and mainly very productive business meeting with female sewing industry workers was held in one of the workshops.

Here is what Viktor Stepanovich Chernomyrdin said:

[Begin Chernomyrdin recording] I would like to say only one thing now. In the present situation, the government cannot abandon politics altogether, but at least we intend to get down to work. It won't do for our country, and our people did not and do not deserve a life that is getting worse and worse. We have raw materials. There is no other country in the world as rich in raw materials as Russia. We have a willingness and we have people. however, at present we do not have a mechanism. We have broken the old one to some extent and, as usual, we are left to wait for a new one. That is why we now want to make an adjustment to our life in order that the problems you have here, at the factory, can be removed. It should not be allowed that taxes are levied on items and on the raw materials you import from abroad. There is a willingness to work but there is nothing to work with. We have the means for that.

That is why our task—the task of the government—is to remove all these obstacles and to give you the opportunity to work, and to manage your own share of the profit, as it is yours. Do you understand? Everyone is always asking: What is the essence of the economic reform? Well, it is not in putting it all into one pot. But if you work you keep 50 percent of the currency. Manage it! Today you are forced to [spend] this currency, crumbs of it, to buy materials and accessories in order at least to have work and to pay salaries. It should not be for just buying materials, but for yourselves. It is yours, you have earned it. This is the difference. If you want to live, then work. We need to understand that we ought to feed ourselves.

At present we throw a good deal of efforts and funds to agriculture. The spring sowing work is starting. I explained in the government yesterday, and said at the Congress, that even with all the battles, please let the government work. So that we can sow, make a stock of raw materials and work. I cannot promise you that it will be better tomorrow, but I am convinced of one thing: that when we set the mechanism going and start work, with a bit of patience we will try to accomplish the rest. [end recording]

Visits Dockyard, Inspects New Destroyer

LD0204122593 Moscow Ostankino Television First Channel Network in Russian 0800 GMT 2 Apr 93

[From the "Novosti" newscast]

[Text] The purpose of Viktor Chernomyrdin's trip to St. Petersburg is to discuss economic problems and to correct reforms. He visited the Pervomayskaya Zarya association and spoke with leaders of industrial enterprises. The head of the cabinet will meet the city and oblast authorities and discuss issues related to the maintaining of the scientific and technical potential of St. Petersburg.

Since the beginning of the year many major enterprises have been privatized in the city. The Severnaya Verf [Northern Dockyard] works was one of the first components of the defense complex to be transferred into the ownership of the collective. Today mainly civilian vessels are being built here, but shipbuilders have not forgotten sailors. It was not simple to build this modern destroyer. Its financing and the delivery of equipment were disrupted, but, nevertheless, sailors have got a modern conventionally armed warship. The life of a vessel starts with St. Andrew's ensign being hoisted; it symbolizes the honor and glory of the Russian Fleet.

Further on Grachev's Visit to St. Petersburg

Opposes Sending Troops to Yugoslavia

LD0104185293 Moscow ITAR-TASS World Service in Russian 1747 GMT 1 Apr 93

[By ITAR-TASS special correspondent Andrey Naryshkin]

[Text] Army General Pavel Grachev, the Russian defense minister, who is here in St. Petersburg, today expressed doubt about the desirability of the plan to enforce the so-called no-fly zone in certain regions of Bosnia-Hercegovina. The plan proposes the suppression of air defense installations hindering transport aviation flights by UN peacekeeping forces in the former Yugoslavia, and also bombing and surface attacks on the warring sides' hangars and airstrips. Speaking in an ITAR-TASS interview, the minister stated that the decision needs to be worked on further, and a comprehensive assessment needs to be made of its possible consequences.

Pavel Grachev expressed more acute disagreement with plans to introduce additional mixed troop contingents on the territory of the former Yugoslavia. He stated that Russia should not take part in this action. "Russia does not need a second Afghanistan," the minister said, emphasizing that the Defense Ministry will implement a firm policy to prevent Russia from being drawn into a war that has the potential to spread beyond the limits of the Balkan region.

Says Women May Serve as Army Generals

OW0204112493 Moscow INTERFAX in English 1056 GMT 2 Apr 93

[Following item transmitted via KYODO]

[Text] Women may serve as army generals for the first time in Russia. They will be entitled to a number of leading army posts, including those of mobilization department chiefs, assistants to army commanders on logistics, and military commissariat heads in a number of Russia's cities. This has been declared by Defence Minister Pavel Grachev at a meeting of Leningrad District servicemen in St. Petersburg.

The meeting surveyed work in the district, in particular contract recruitment. In Grachev's words, the Leningrad Military District leads in contract enlistment: more than 5 thousand servicemen have been recruited in St. Petersburg and its region. After the minimum wage has been raised up to 4,450 rubles as of April, the minimum salary of a recruit will amount to 33,000 rubles plus 28,000-35,000 rubles in monthly fringe-benefits.

As the defence minister pointed out, "the social atmosphere in the army has become much better after the adoption by the RF [Russian Federation] Supreme Soviet of a package of laws and measures to guarantee the servicemen's social insurance."

Addresses Leningrad MD Officers

PM0204104993 Moscow KRASNAYA ZVEZDA in Russian 2 Apr 93 p 1

[Report by Valeriy Streltsov and Vladimir Gavrilenko: "Military Reform Should Not Be Allowed To Slide. The Russian Federation Defense Minister in Leningrad Military District"]

[Text] We already reported yesterday that Russian Federation Defense Minister Army General Pavel Grachev is in St. Petersburg and has held a meeting of the leaders of Leningrad Military District [MD] and the aviation, Air Defense, and Navy forces stationed in northwest Russia. At the meeting it was stressed that successful reform of the Army in many ways depends on how the projected transformations are resolved at local level. The briefing by District Commander Colonel General Sergey Seleznev showed that this process has begun in the Leningrad Military District and, according to the appraisal given by the minister of defense, is going fairly successfully. Despite the difficulties in accommodating troops and the existing problems connected with the relocation on the district's territory of units and subunits from other regions, the reform of Army structures is going according to plan and views of the organization and content of operational and combat training and the mobilizational readiness and manning of units and subunits on a new basis are being reviewed.

In particular, the defense minister noted that the recruitment of troops on a contract basis in the district deserves the attention of other districts, fleets, and branches of the Russian Armed Forces. Because even airmen and the Air Defense command in this region are coping with this task less successfully than the Leningrad Military District command.

Army General Pavel Grachev drew the attention of officers and generals to the need for a creative reevaluation of their experience of the combat training of troops, and called on them not to shun the most rational achievements of Western armies in this sphere.

"With this aim in mind I am even authorizing trips to any Western country for a week or two so people can 'immerse themselves' in their army activity," the defense minister said. "This will also be the best means for broadening contacts between our armies and strengthening trust in one another."

In the exchange of opinions which took place on the problems of organizing combat training participants in the meeting discussed the expediency of preserving existing traditions in the performance of troop exercises.

"The leading role in all military training should be played by officers and contract-based professionals," the defense minister stated. "An officer should not limit himself to the knowledge and skills acquired in military training establishments. It is his job as an officer to know his job thoroughly, love it, and think creatively, not be blinkered by the fetters of secondary problems."

The most important condition for the acquisition by officers of these qualities, as is well known, is a well-considered cadres policy. The defense minister demanded that senior officers and cadre organs exclude inertia and stereotyped thinking in their approach to the career development of officers. An example of such an approach was the prompt decision by the minister himself to appoint as commander of Leningrad Naval Base

Rear Admiral Vladimir Grishanov, who had been filling these duties for seven months.

On 1 April Army Gen. Pavel Grachev together with a group of officers and generals of the Russian Federation Ministry of Defense continued work among the troops of Leningrad Military District and met with Russian Council of Ministers Chairman Viktor Chernomyrdin, who arrived in the city on the Neva.

Most St. Petersburg Residents Want New Constitution

LD0104202393 Moscow ITAR-TASS in English 1757 GMT 1 Apr 93

[By ITAR-TASs correspondent Maria Matskevich]

[Text] St. Petersburg April 1 TASS—An opinion poll conducted by the St. Petersburg Social Process Studies and Prognosis Centre during the last days of March has showed that out of two thousand polled people, 54 per cent are in favour of adopting a new constitution in Russia in the near future.

Only 14 per cent respondents surmise that it is possible to solve main problems even under the old constitution. The rest did not have any definite stand on this issue.

In other words, in St. Petersburg supporters of the new constitution proposed by President Boris Yeltsin outnumber 4 to 1 those who share the collective opinion of the Russian Parliament.

Admiral Gromov in Vladivostok, Views Navy's Problems

LD0204123393 Moscow ITAR-TASS in English 1021 GMT 2 Apr 93

[Text] Vladivostok April 2 TASS—Difficulties of the transition period in Russia have not affected the Navy's combat efficiency, Russian Navy Commander Admiral Feliks Gromov said on Friday.

Speaking at a news conference in Vladivostok where he has arrived in connection with the appointment of a new commander of the Pacific Fleet, Gromov said "the Navy has fully maintained its organisation and combat efficiency. The strategic submarine fleet, foreign nuclear submarine monitoring units and surface ships are performing their tasks on a high level. Fleet combat forces are provided with everything necessary."

He said the future of the fleet is connected with the reduction of its personnel and ships in accordance with the principle "more efficiency with fewer forces" and in line with Russia's defensive military doctrine.

Asked about the fate of the Russian Navy base in Cam Ranh in Vietnam, Gromov said it would remain as a material and technical centre for military ships, adding that the Russian Navy command is now negotiating prospects for joint use of the base with Vietnamese authorities for the benefit of both sides.

Although Russia has not signed the London international convention on sea non-contamination, it never violated it, Gromov said, commenting on Japanese mass media reports accusing the Russian Navy of secretly dumping radioactive waste into the Sea of Japan.

The commander admitted, however, that the Navy discharged liquid low-radioactive waste which practically did not exceed the natural radiation level. He added that the burial of nuclear reactors from the Lenin ice-breaker in the sea was carried out strictly in accordance with all safety measures.

Bashkir, Tatar Leaders Opt for Referendum

MK0104110893 Moscow NEZAVISIMAYA GAZETA in Russian 1 Apr 93 p 1, 3

[Interviews with Murtaza Rakhimov, chairman of the Bashkortostan Supreme Soviet, and President Mintimer Shaymiyev of Tatarstan by Radik Batyrshin; places and dates not given; under the general heading: "Bashkortostan and Tatarstan To Hold Referendum on 25 April, But Kazan Believes It Will Evoke Reserved Reaction, and Ufa Plans To Add Questions on Republic's Status"]

[Text] [Batyrshin] How do you assess the results of the Ninth Congress?

[Rakhimov] The congress fairly accurately reflected the attitude of society to Yeltsin's course. The people are tired of poverty.

[Batyrshin] The deputies rejected the draft decree proposed on behalf of the Federation components by Viktor Stepanov, head of the Karelian parliament...

[Rakhimov] That is not the crux of the matter. Had we really insisted on it, everything would have been passed. But we feel contempt for Boris Yeltsin's retinue. Unless the president gets rid of them, there will be no support for him. The rally on Vasilyevskiy Hill was not the whole of Russia. The times when policies were made in Moscow have faded away. As a matter of fact, I was surprised at Viktor Chernomyrdin's conduct at the rally. When I nominated him for the post of prime minister, I thought he would be a person to stand on his own two feet. Unfortunately, those hopes did not come true.

[Batyrshin] How will the referendum be conducted in Bashkortostan?

[Rakhimov] We are planning to add to the ballot questions regarding relations between Bashkortostan and Russia.

[Batyrshin] To what extent will these questions be in line with the questions of the referendum held in Tatarstan in March of last year?

[Rakhimov] To all appearances, they will be largely the same.

[Batyrshin] Are you not afraid of the center's resistance?

[Rakhimov] No. Presently, the people of the republic support the policies pursued by the government and the Supreme Soviet of Bashkortostan, but not those of the federal authorities. Our people are wondering: Who lacks authority in Moscow? In my view, there is enough authority. The fact is, however, that nobody is capable of creative work, of simply doing his job. Regardless of who is going to be in charge in Moscow, we will continue our own course. The times when we lived by the center's diktat have passed. We do not want to break away from Russia, but we are going to develop our relations with it on the basis of agreements and the Constitution.

[Batyrshin] Will you put forward any initiative at the Council of Heads of Republics?

[Rakhimov] Yes, I will, but it is premature to talk about it.

[Batyrshin] At the Ninth Congress a draft calling for a Council of the Federation to be set up was proposed...

[Rakhimov] My attitude to it is negative, and I am not going to sign it. We have already had the experience of a similar body in the USSR, but we let it break up.

[Batyrshin] The president's loyalists say that in the absence of a new Constitution the crisis will continue...

[Rakhimov] In the current Fundamental Law there is effectively nothing left from the Brezhnev constitution.

[Batyrshin] You left for Ufa [Bashkortostan capital] without waiting for the congress to end...

[Rakhimov] At present, according to the Constitution, the congress is the supreme state authority in the Russian Federation. Attempts to dissolve it amount to overstepping the constitutional framework. This cannot be tolerated. Early elections are a two- edged sword. I am afraid that the only people the elections will bring to parliament will be the nouveaux riches and their henchmen. But a parliament composed of storekeepers may push the country into an abyss.

[Batyrshin] They say the Ninth Congress of People's Deputies has ignored all the demands voiced by the regions...

[Shaymiyev] This is the mistake made by all the branches of federal power—from the president and those around him to the deputy corps. All of them underestimate the role of the regions. In conditions where the devolution of power has taken place, all the leaders need to rely on the regions. Because, whatever decisions may be made in Moscow, they should be implemented on the ground.

[Batyrshin] At the same time, the congress limited the president's authority...

[Shaymiyev] I would not like to speak at this stage about authority, for we need to think of what the referendum may bring us. We will create all the requisite conditions for the people to be able to express their will, because under the republic's Constitution the citizens of Tatarstan are at the same time citizens of the Russian Federation. But I believe that those who live in the republic will approach this referendum with a more than reserved attitude. Why? The people of multi-ethnic Tatarstan have not forgotten the ham-handed pressure that was brought to bear by the Moscow authorities before our referendum last March. At that time it amounted to humiliation of the people's dignity; under conditions of "the formation of Russian democracy" a vicious, massive propaganda campaign was launched. There were attempts to frighten us with legal action, and officials from the Russian prosecutor's office sent to Tatarstan hampered the activity of electoral commissions. We could never understand how representatives of state bodies of the Russian Federation who call themselves democrats could try to prevent the people from freely expressing their will. Many actions by Russian leaders have offended the people of the republic. All this cannot but affect the attitude to the referendum of those who live in Tatarstan.

[Batyrshin] But the fate of Boris Yeltsin's political career determines the fate of the treaty on mutual delegation of powers between Russia and Tatarstan...

[Shaymiyev] It will be up to the people of the Russian Federation to decide. But Tatarstan's stance does not depend on political expediency. We will not artificially speed up the process of talks. It will be better to sign the treaty when the situation is stable. I want the people to support Boris Yeltsin. But the very language of the referendum question approved by the congress will affect the fate of the upcoming referendum. They only appear to be simple. For instance, what conclusions will be drawn if the president receives a vote of confidence, but his course does not? This is a real poser.

[Batyrshin] The problem of the treaty is directly dependent on the adoption of the new Constitution of the Russian Federation...

[Shaymiyev] By the time the fundamental principles of the new Fundamental Law of the Russian Federation are produced for discussion, Tatarstan and the Russian Federation should have clarified their relations.

[Batyrshin] The president's supporters say that the congress has exhausted itself...

[Shaymiyev] Everything will hinge on the results of the referendum, provided, of course, that the authorities of the Russian Federation pay heed to them. Unfortunately, we have seen this before in our recent history. Just remember the referendum on the fate of the USSR.

[Batyrshin] A meeting of the Council of Heads of Republics is scheduled for 5 April. A concept of the implementation of the Federal Treaty and a concept of Russia's national security have been prepared for consideration.

[Shaymiyev] In my view, the Council of Heads of Republics should have convened before the Ninth Congress.

But Boris Yeltsin preferred to convene only the Presidential Council. I think that the Council will consider not only the preplanned questions.

[Batyrshin] What is your attitude to a draft calling for the creation of a Council of the Federation?

[Shaymiyev] I believe that what we need to do is to make the Council of Heads of Republics work. This body has started accumulating experience, finding its own political style, and it would be foolish to lose it. At the same time, we should not forget that the republics are ethnic state entities and that they have a lot of specific problems. If krays and oblasts want to unite—that is their right.

[Batyrshin] The leaders of krays and oblasts lay claim to rights similar to those enjoyed by the republics...

[Shaymiyev] If somebody can assimilate a wide range of powers, this should not be prevented. But territorial entities will never be able to become republics—the nature of their state arrangement is different.

[Batyrshin] Will the aggravation of the situation in Russia affect Tatarstan?

[Shaymiyev] Practically, not at all.

[Batyrshin] Some observers think that the events of 20-29 March were an operation brilliantly conducted by the president and his team. As a result, Yeltsin got everything he was striving to achieve...

[Shaymiyev] He achieved that only in part.

North Ossetian Parliament Assesses Ninth Congress

LD0204022193 Moscow ITAR-TASS World Service in Russian 1202 GMT 1 Apr 93

[By ITAR-TASS correspondent Valeriy Shanayev]

[Text] Vladikavkaz, 1 Apr—A session of the North Ossetian Supreme Soviet Presidium which took place in Vladikavkaz today was devoted to the results of the work of the Ninth Congress of People's Deputies. Akhsarbek Galazov, the parliament's chairman, stated that the decree of the Russian president on the introduction of the state of emergency in individual territories of North Ossetia and Ingushetia should assist the establishment of peace and harmony in the region. Speaking of the Ossetian side's stand, he noted that North Ossetia will carry out all points of the decree in the form it has been presented in Russia's Supreme Soviet.

A large assembly of the Terek Cossack host also took place in Vladikavkaz today. It elected Lieutenant Colonel Aleksandr Starodubtsev, a native Terek Cossack and an inhabitant of Vladikavkaz, as ataman on an alternative basis. He is serving as deputy commander of the motorized infantry regiment of the Vladikavkaz garrison.

North Ossetian Justice Minister Views Refugee Agreement

OW0104223593 Moscow INTERFAX in English 1405 GMT 1 Apr 93

[Following item transmitted via KYODO]

[Text] North Ossetian Minister of Justice Georgiy Dzhigkayev believes that the agreement, signed during the fifth round of the Ossetian-Ingush talks "came as a surprize for the population of the republic and was not adequately prepared".

He told the local media that it is not clear from this document "with whom the decision on the return and accommodation of the refugees in the predominantly Ingush places, agreed upon, had been coordinated".

He also expressed the belief that such documents must be extremely precise and to the point.

The Kislovodsk agreement on comprehensive measures to solve the problems facing refugees and forced migrants envisages the return and accommodation of the Ingush refugees in North Ossetia's Prigorodnyy region. According to the Federal Migration Service, to date there are 49 Ingush refugees in Ingushetia.

Sakhalin District Council Confirms Administration Leader

OW0204123493 Moscow INTERFAX in English 1057 GMT 2 Apr 93

[Following item transmitted via KYODO]

[Text] A session of the Sakhalin District Council in South Sakhalin Friday [2 April] approved the new leader of the district administration, Yevgeniy Krasnoyarov. The administration apparatus reported this to Interfax. Krasnoyarov was proposed by Russian President Boris Yeltsin to replace Valentin Fedorov, who was removed from office by the president, "due to a transfer to a different position," said the administration.

Krasnoyarov is 54 years old, and earlier served as general director of the Soviet-Japanese joint venture Pilenga Godo.

Former Sakhalin Governor Fedorov, who holds a PhD in economics and came to the Russian Far East from Moscow, was often criticized by the representative organs of power for heading up an incompetent administration. This, the district council feels, led to a decline in production and higher price increases in Sakhalin than in the rest of Russia.

Specialists Demonstrate Missile Launching in Far East

LD0104023593 Moscow ITAR-TASS World Service in Russian 0025 GMT 1 Apr 93

[By ITAR-TASS correspondent Viktor Gorelov]

[Text] Birobidzhan, 1 Apr—The missile specialists of the Birobidzhan military garrison have broken with the long tradition of complete secrecy in their work for the first time. The commanders not only invited the heads of administration of the Jewish autonomous oblast and of the oblast center to the routine practice launching of a surface-to-surface missile, but also representatives of the public and journalists. They were all offered the opportunity to assess the precise actions of the fighters of Major Sergey Gavrilov's launching division. The missile specialists got "excellent" marks for carrying out their task. According to a report from an observation post located 500 kilometers from the launching site, the missile struck the practice target precisely.

New Political Movement Formed in Chechnya

LD0104220093 Moscow ITAR-TASS World Service in Russian 0745 GMT 1 Apr 93

[By ITAR-TASS correspondent Sharip Asuyev]

[Text] Groznyy, 1 April—The new social-political movement "The Will of the People" [Volya Naroda] has announced its formation by issuing quite a serious message to Dzhokhar Dudayev. Practically every paragraph of this organization's list of demands begins with words like "immediately," "urgently," and "without delay." "The Will of the People," whose exponents remain unknown to majority of Chechnya's population, demands that General Dudayev extend the program of social and economic development to all the citizens of the republic, carry out an inventory of all the nation's assets, make its privatization program public, combat crime, and "implement the 'Land to the Peasants!' program." And all this in the shortest possible time.

Around two dozen various movements and parties are presently active in Chechnya. All of them claim to be the main exponents of the will of the people. But it looks like the people are tired of the loud promises made by the present authorities as well as the half-baked and inconsistent slogans put forward by the opposition. The opposition, which at one time almost consolidated itself under the wing of "the Right" [Pravo] parliamentary faction, is now demonstrating some clearly cetrifugal tendencies. Everyone talks about the need for change, but so far nobody has offered a precise and clear program for extricating Chechnya from crisis.

Mari-El Combines Elections With Russian Referendum

LD0204041793 Moscow Radio Rossii Network in Russian 0100 GMT 2 Apr 93

[Text] Elections of people's deputies to fill vacant constitutencies in Mari-El, scheduled for 11 April, have been postponed until 25 April because of the referendum. Holding these two important events together will increase voter turnout and also make it possible to save some money.

Government Plans To Build New Baltic, Black Sea Ports

OW3103222093 Moscow INTERFAX in English 1807 GMT 31 Mar 93

[From the "INTERFAX Business Report"—following item transmitted via KYODO]

[Text] Russia plans to increase the capacity of its seaports, stop sending foreign trade freight through neighboring nations and thus cut growing shipping costs. The program presented to the Russian government says this can be accomplished within 10 years.

PORTS HANDLE JUST ⅓ OF NATION'S FREIGHT NEEDS

Russia's 40 ports can handle 166 Mn [million] tons of freight, while the nation must process close to 260 Mn tons.

Before the Soviet Union fell apart Russia received 47 Mn tons of cargo in 1990 through ports in the Baltic states, 42 Mn tons through Ukraine, 1.5 Mn through the Caucasus, and 5.5 Mn tons through Finland.

Russia no longer owns the most specialized ports processing bulk, oil and chemical freight (53 Mn tons), dry chemicals (7 Mn tons), grain (more than 7 Mn tons), and ferry shipments to Germany and Bulgaria of more than 10 Mn tons.

Virtually none of Russia's ports can accommodate high clearance and heavy equipment, more than half of the shallow-water ports are unable to receive high-tonnage vessels, and many are in disrepair.

MOSCOW REDUCING TRAFFIC THROUGH UKRAINE AND BALTICS

Experts from the Department of Sea Transportation said that during the first stage of the program (1993) Russia may substantially reduce traffic through ports in neighboring nations by increasing the use of its own ports and expanded use of river and fishing ports.

Moreover, a reduction in foreign trade traffic (which is expected to continue through 1995) will help cut shipping through neighboring nations.

In particular, 7.5 Mn tons of freight (export coal, metal, import grain, and others) will be rerouted from ports in Latvia, Lithuania, and Estonia to St. Petersburg, Vyborg, and Kaliningrad (5.5 Mn tons - Baltic basin), and Murmansk and Arkhangelsk (2 Mn tons - northern basin).

3.7 Mn tons of freight (export coal and ore, import grain and metals), and 3 Mn tons of crude oil will be routed to Black Sea ports in Novorossiisk, Tuapse, and Taganrog from Ukrainian ports.

RUSSIA TO PROCESS MORE THAN 251 MN TONS OF FREIGHT BY 1998

The second stage of the program to 1998 includes the reconstruction of 48 existing ports and the construction of 14 new ports; a new port on the Baltic Sea will be built as well. This will enable Russia to receive an additional 38 Mn tons of oil, 4.2 Mn tons of chemical, and close to 42 Mn tons of dry cargo (including 10.2 Mn tons of grain, 10.5 Mn tons of coal, 10.3 Mn tons of metals, etc) by 1998.

Up to 14 Mn tons of cargo will be processed at ports in neighboring nations (ports in Baltic states - 6.1 Mn tons, Ukraine - 7.7 Mn tons).

During the third stage of the program (2000-2005) the nation's ports will process all main Russian cargo (foreign trade turnover will recover to 1990 levels by this time).

Port capacities will be developed first in the Baltic and southern basin (Black and Azov seas), which includes the construction of new ports.

The increase in port capacity in the Far East will result from the development of the Vostochny and Vanino ports.

The construction of the largest complexes - especially ports which will process cargo for government needs (grain, certain types of equipment) will be financed out of the budget.

Private investors and the ports themselves will play an increasing role in financing the reconstruction and construction, estimated at 4.4 Bn [billion] rubles (1991 prices) and $2.6 Bn.

International Affairs

Ambassador to U.S. on Delay of START I Ratification

OW0104172893 Moscow INTERFAX in English 1638 GMT 1 Apr 93

[Following item transmitted via KYODO]

[Text] Ukrainians are optimistic about the future of Ukrainian-American relations even though the Ukrainian parliament wants to take its time as far as ratification of START-1 is concerned, Oleg Belorus, Ukrainian ambassador in Washington, told journalists Thursday [1 April].

He insisted that the Ukrainian parliament had the perfect right to debate thoroughly all aspects of the treaty and the financing of dismantling the nuclear weapons on Ukrainian soil.

On the other hand, the ambassador said that Ukraine is guided by "the economic imperative" in its relations with the U.S.A. The most favorable treatment status accorded to Ukraine in May 1992 during President Kravchuk's visit has to be backed by concrete steps, the ambassador thinks.

Statement of Defense, Foreign Ministries on Nuclear Arms

OW0104203893 Moscow INTERFAX in English 1405 GMT 1 Apr 93

[Following item transmitted via KYODO]

[Text] The Ukrainian Defense and Foreign Ministries have published a statement saying all matters concerning nuclear weapons stationed on the republic's territory are currently being considered by the Ukrainian parliament, which will take a decision meeting the interests of the Ukrainian people.

The aim of the present-day stir around the nuclear weapons stationed in Ukraine is to have Russia extend its jurisdiction to them, depriving Ukraine of the right to receive compensation for their components, the statement says.

Ukraine has repeatedly stated, the document says, and states now that it is prepared to consider and solve at any level problems concerning the safety of strategic nuclear forces stationed on its territory, and can contemplate inviting an authoritative international expert commission.

Foreign Ministry Issues 'Strong Statement' to Russia

PM0204101393 Moscow IZVESTIYA in Russian 2 Apr 93 First Edition p 3

[Report by Andrey Kamorin: "Ukraine Accuses Russia of 'Blackmail and Intimidation'"]

[Text] The Ukrainian Foregn Ministry has issued a very strong statement accusing Russia of "blackmail and intimidation," in response to Russian Defense Minister Pavel Grachev's pronouncements in St. Petersburg.

You will recall that Grachev, in an ITAR-TASS interview, warned that delays in the withdrawal of the former USSR's nuclear arsenal from Ukrainian territory would pose the threat of a "second Chernobyl" in view of shortcomings in the servicing of missiles and warheads. The minister also urged the world community to take steps to prompt Kiev to accelerate the resolution of the issue.

The Ukrainian Foreign Ministry's reaction to Grachev's pronouncements was swift and tough. "Threats about the possibility of a repetition of the Chernobyl tragedy from the place which brought this tragedy upon our land are an insult," the statement—which appeared the day after the interview with the Russian minister—says.

The document stresses that questions connected with nuclear weapons in Ukraine are being examined by parliament, which will make a decision that is "consonant with the interests of the Ukrainian people and Ukrainian state."

In the statement Kiev accuses Moscow of "creating an artificial hullabaloo over nuclear weapons on Ukrainian territory in order to secure the extension of Russian jurisdiction to these weapons and to deprive Ukraine of its right to compensation for the components of these weapons." This hypothesis was consonant with a pronouncement by Ukrainian Deputy Foreign Minister Boris Tarasyuk, who said—REUTER reports—that the technical condition of the missiles on Ukrainian territory is the "same as it is in Russia," although Russian specialists servicing the facilities could create artificial problems at them.

This means that Tarasyuk is effectively accusing the Russian military of intending to carry out acts of sabotage at nuclear facilities, which, given the absence of substantial proof, sounds strange and provocative to say the least, particularly for a diplomat of that rank.

The "nuclear dispute" between Moscow and Kiev has long been attracting close attention in the world community, which sees the processes of reducing nuclear arsenals and strengthening the nuclear nonproliferation regime as top priorities. The Ukrainian parliament's delay in ratifying the START and nuclear nonproliferation treaties is certainly causing anxiety not only in Moscow. During a recent visit to Washington by Ukrainian Foreign Minister Anatoliy Zlenko it was made clear to him that the United States and its allies are not interested in expanding the "nuclear club," and the hope was expressed that the status of nuclear-free state proclaimed by Ukraine in 1990 will become a reality in due course.

Swiss Ambassador Meets Parliamentary Speaker Plyushch

LD0104144793 Moscow ITAR-TASS in English 1327 GMT 1 Apr 93

[By UKRINFORM correspondent Aleksey Petrunya for TASS]

[Text] Kiev April 1 TASS—The START-1 Treaty and the nuclear non-proliferation treaty will be ratified by the Ukrainian Parliament only after Ukrainian lawmakers realise themselves and convince the people that these treaties will not damage Ukrainian interests, Ukrainian Parliamentary Speaker Ivan Plyushch said during his meeting with the Swiss Ambassador Armin Kamer on Thursday [1 April]. The head of the Ukrainian Parliament said that Ukraine has firmly resolved to be a nuclear-free power, but it needs guarantees of security, guarantees that Ukraine will be reliably protected if a threat is posed to its territorial integrity.

During the meeting a broad range of issues were discussed pertaining to Swiss-Ukrainian relations. In particular, head of the Ukrainian Parliament pointed out that the new independent state should study and take over Switzerland's experience as a neutral country, as well as its experience in resolving the language problem, since people in Switzerland speak four languages.

Touching upon the latest developments in Russia, Plyushch said that there are many subjective points in the matter. The Ukrainian leadership and its people are closely following the events in Russia since the two countries are linked by numerous political and economic ties.

As far as Ukraine is concerned, there is no confrontation there between the president and chairman of the Ukrainian Parliament, but there are different approaches to the tactics of building an independent state, Plyushch said.

During the meeting the sides discussed problems pertaining to assets and liabilities of the former Soviet foreign debt and the place of Ukraine in the distribution of the debt. A problem of Western aid to Russia was discussed, focussing on inconcrete character of this aid addressed to abstract destination—the CIS. "We would like to see more clearly Ukraine's share in this aid," Plyushch said.

Arms Treaties, Russia Discussed

LD0104143593 Moscow ITAR-TASS World Service in Russian 1205 GMT 1 Mar 93

[By UKRINFORM-TASS correspondent Aleksey Petrunya]

[Text] Kiev, 1 Apr—The START-1 Treaty and the Treaty on Nonproliferation of Nuclear Weapons will be ratified by the Ukrainian parliament, but only after the deputies themselves understand it and have succeeded in persuading the people that these treaties cause no damage to Ukraine, Ukrainian Supreme Soviet Chairman Ivan Plyushch told Swiss Ambassador Armin Kamer today.

Ukraine, Plyushch stressed, has firmly decided to be a nuclear-free power but it needs security guarantees, the guarantees that in case its territorial integrity is threatened it will be reliably protected.

A broad range of issues related to the development of Ukrainian-Swiss relations was raised in the conversation. In particular, the head of the Ukrainian parliament noted that his young independent state has to study and follow Switzerland's experience as a neutral country as well as the experience of solving the language problem. After all, four languages are currently spoken in Switzerland.

Touching upon the latest events in Russia, Plyushch said that there are many subjective points there. Ukraine's leadership and the people are following closely the developments in Russia since the two states are linked by numerous political and economic ties. Speaking about Ukraine, he stressed, there is no confrontation between the Ukrainian president and Supreme Soviet chairman, but simply different approaches to the issues of the tactics of building an independent state.

During the conversation issues related to assets and liabilities of the former USSR's foreign debt and Ukraine's place in their distribution were discussed, too. The problem of the non-specific nature of Western aid dispatched to such a vague address as the CIS was raised again. We would like to see Ukraine's share of this aid determined in a more clear-cut way, Plyshch said.

President Kravchuk on Collapse of Soviet Union

LD0104130193 Moscow ITAR-TASS in English 1148 GMT 1 Apr 93

[Text] Moscow April 1 TASS—The Soviet Union collapsed not because the leaders of three Slav republics set up the Commonwealth of Independent States. It was doomed since the beginning of perestroyka, Ukrainian President Leonid Kravchuk said.

"Democracy could not survive in the empire. Either you go forward to a civilised society or back to totalitarianism. There is no other way," Kravchuk told the weekly MOSCOW NEWS published on Thursday [1 April].

"After the August 1991 events it became clear that the disintegration of the Soviet Union was becoming sweeping and chaotic. What was to be done? To sit idle, observing the situation developing according to the Yugoslav scenario? Or take this disintegration under control? We made our choice and I think it was correct. But if the December 1991 situation repeated itself now, the content of many agreements could be different," Kravchuk said.

"The CIS founding documents did not lay the foundation for a clever economic integration. We broke the ties which we need so badly now and will need in the future

too fast. Unfortunately today too we often fail to separate the economy from politics," Kravchuk regretted.

He believes it is too early to speak about political integration.

Speaking about the situation in Ukraine, Kravchuk said "we are building a normal civil society," "an independent democratic Ukraine which does not threaten anyone." "I will never renegotiate our borders with anyone. Any such bargaining means the beginning of a war. Another absolute norm is the observation of human rights. This is unquestionable for me," Kravchuk said.

He welcomed the idea of declaring Ukraine a nuclear-free, neutral state. "I do not believe in the doctrine of nuclear containment. This is a game with matches. Who will win if Ukraine gets involved in it?" the president said.

Ministry Issues Statement on Black Sea Fleet Accord

LD0104124493 Moscow ITAR-TASS in English 1147 GMT 1 Apr 93

[By UKRINFORM correspondent Nikolay Zayka for TASS]

[Text] Kiev April 1 TASS—The press service of the Ukrainian Defence Ministry has circulated a statement which says, specifically, that the proposals to draft an address to the Ukrainian Parliament about the possibility of considering the cancellation of the Yalta August 3, 1992 agreement is now being studied. The Russian Defence Ministry has unilaterally taken measures that do not promote the normal course of the construction of the Navies of Ukraine and Russia on the basis of the Black Sea Fleet, the document says.

While constantly declaring for the observance of the agreement, the Russian Defence Ministry distorts its principles, expands its own notion of the need for the transitional period, demands that the Command of the Black Sea Fleet replace its structures, reduce and redeploy units, etc., the statement says. There is anxiety over the fact that on Moscow's orders, ships of the fleet with Ukrainian crews perform unspecified tasks in the area of the Georgian-Abkhazian military conflict.

The Ukrainian Defence Ministry regards as impermissible the violations of the Yalta Agreement. This leads to stirring up hostility between people in the Navy, does moral and material damage to the state and takes the Black Sea Fleet actually out of control of the presidents of Ukraine and Russia.

As is known, under the agreement signed by Russian President Boris Yeltsin and Ukrainian President Leonid Kravchuk at Mukhalatka, near Yalta, in Crimea, on August 3, 1992 the Black Sea Fleet is taken from under the control of the CIS and becomes the united fleet of Russia and Ukraine with joint command.

People's Council Formulates Position on Events in Russia

AU3103135093 Kiev HOLOS UKRAYINY in Ukrainian 26 Mar 93 p 2

["Statement by the People's Council"; date not given]

[Text] The recent events in the Russian Federation and the utmost exacerbation of the political struggle aimed at a redivision of property and power that resulted in a confrontation between the representative and executive power cannot leave Russia's closest neighbors—former Union republics and presently sovereign states—indifferent.

First, any instability in such a great power as the Russian Federation may have an extremely negative effect upon the stability of neighboring states that are traditionally connected with it by numerous economic ties and may threaten their very independence.

Second, under the slogans of allegedly maintaining democratic principles in society, certain forces in the Russian Federation are trying to curtail democratic reforms both in the political and economic spheres, to return to Soviet rule, and to abandon the principles of market economy. This may have a detrimental effect upon the development and establishment of democratic processes not only in Russia.

Third, against this background, revanchist procommunist forces have become more active, forces that are again bursting to achieve totalitarian power and are striving to restore the bolshevik empire within the boundaries of the former USSR—it is not hard to predict the consequences of this in the event they succeed.

Fourth, the intensification of the confrontation in Russia may lead to a split in society and bloodshed with all the ensuing consequences.

Proceeding from this, the People's Council declares the following:

—we decisively support the course toward intensifying radical economic reforms, further development of democratic processes, the principle of the division of powers, and the introduction of private ownership of land both in Ukraine and in Russia;

—we are against the restoration of the communist system as antidemocratic and against calls for restoring the former Soviet empire—the USSR;

—we have consistently defended and will continue to defend the independence of the Ukrainian state and a comprehensive development of good-neighborly and equal relations between Ukraine and Russia, relations that are free of territorial claims;

—we believe in the irreversibility of democratic processes and radical economic reform and we believe that common sense and the striving for democratic

changes are capable of ensuring civic peace and accord in Russia and, consequently, in its neighboring independent states.

The People's Council appeals to all democratic forces in Ukraine and to all those for whom the idea of our state's independence is dear and who are genuinely striving to overcome the crisis as soon as possible—let us join efforts in the struggle to establish democracy, peace, and accord. Let us do everything we can to prevent events in our society from developing according to the Russian pattern. Let us resist all attempts to restore the bolshevik system and the Soviet empire.

National Affairs

Donetsk Miners Strike; Demand Higher Wages

OW0204112093 Moscow INTERFAX in English 1054 GMT 2 Apr 93

[Following item transmitted via KYODO]

[Text] Miners in the Donetsk coal-mining region went on strike as of 8:00 on Friday, 2 April, to meet the call made at a joint meeting of activists from the independent miners union and the trade union of workers of the coal mining industry on Thursday [1 April].

A spokesman for the independent union, Viktor Chernyshov, has told an INTERFAX reporter with reference to his union's information that the strike involves 22 mines, various mine construction and fitting departments and workers shipping coal to consumers.

The strikers are demanding higher pay, economic independence for mines, and the rights for the unions to manage social security funds.

Work continues only in the vital sections of the mines.

According to reports from the trade union of workers of the coal-mining industry, up to 40 mines are on strike in the Donetsk region. There is a total of 251 mines in Ukraine, 224 of which are in the Donetsk region.

Plyushch, Kuchma Address Industrialists, Farmers

MK0204105693 Moscow NEZAVISIMAYA GAZETA in Russian 2 Apr 93 p 1

[Vladimir Skachko report: "Ivan Plyushch Wants To Make Up With Leonid Kravchuk. Leonid Kuchma Soothes Agricultural Producers"]

[Text] Addressing the teaching staff of a newly built school, Ivan Plyushch offered a compromise way out of the standoff with presidential structures that has worsened of late. Claiming that the attempts by certain forces to gamble on the quarrel between two of Ukraine's branches of power were hopeless and irrational, the parliament speaker called for the positive elements in the work of the two power structures to be perceived. "When criticizing, one should also see the good things, and look for ways out of the situation in which Ukraine finds itself. We will get out of it, the reform will pass, Ukraine will be there with us or without us. Our task is indeed to complete these processes with minimal losses," Ivan Plyushch said.

This is a second public attempt to date to check, if not to end, the confrontation with presidential structures. Speaking before students of the Institute of Management of the Ukrainian cabinet last week, Ivan Plyushch stated that he would like a renewal of representative power in the provinces through national elections to local soviets and elections of heads of local executive authorities—something that has long been demanded of the Ukrainian parliament by democratic forces, and of which Leonid Kravchuk lately has started talking.

Many people attribute this change in the Ukrainian speaker to what happened at the Russian Ninth Congress of People's Deputies, and also to the fact that the Ukrainian parliament was, perhaps, the only force in the republic not to have come out in support of presidential power in Russia. Moreover, it was noted in the joint Ukrainian-Russian communique on the talks between Plyushch and Khasbulatov, shortly before the Congress, that both sides "view parliamentarianism as the basis for the democratic development of the states." A setback for their Russian counterparts in their struggle with Boris Yeltsin also damped similar sentiments in Ukrainian anti-presidentniks, and, apparently, made Ivan Plyushch wish to make at least temporary peace with Leonid Kravchuk by distancing himself from Russian affairs and from Khasbulatov.

The way relationships between Ukraine's two branches are going to develop further will finally become known at the plenary sittings of the parliament session that will resume on 6 April to discuss a draft state budget for 1993. As in Russia, the power struggle in Ukraine between parliament and president hinges around the government, with the difference that, against a backdrop of the worsening economic position of the majority of the republic's population, neither Leonid Kravchuk nor Ivan Plyushch support the government unreservedly, while the fringe political forces are playing the role of either the attackers of Leonid Kuchma or his protectors.

As for Leonid Kuchma, he has completed a tour of Ukraine's agricultural regions, where he assured agro-industrial complex representatives that he was outside politics and would support any forms of land management provided that these provide Ukraine with the necessary agricultural products and food. It was stated to representatives of the agro-industrial complex, during a production meeting in Rovno, that the government program to develop the agricultural sector envisions a change of taxation regulations applicable to agricultural enterprises, and their liberalization. Besides, Leonid Kuchma stated at that conference that state loans would be available to agricultural enterprises that are working well. Loans will be issued regardless of forms of ownership.

Rukh Leader Supports Kravchuk on Anti-Crisis Measures

OW0204002793 Moscow INTERFAX in English 1845 GMT 1 Apr 93

[Following item transmitted via KYODO]

[Text] Ukraine's People's Rukh [Ukraine People's Movement for Perestroyka] Movement is supportive of the President's call for urgent anti-crisis measures and will insist that an anti-crisis committee be set up, with the President or Prime Minister in charge, Rukh leader Vyacheslav Chornovil said speaking at a news conference on Thursday [1 April]. He thinks the current situation in Ukraine may well prompt the need for political activity to be somewhat curtailed. Chornovil spoke of strikes being out of the question.

The Rukh leader accused commercial banks for the falling karbovanets rate, alleging that the Agro-Industrial Bank, Ukraine, and Prominvestbank had spent an estimated one trillion karbovanets worth of credit received from the National Bank for the purchase of $3 Mn [million] at the sale by the Inter-Bank Foreign Exchange on Tuesday. As a result, he said, the karbovanets nosedived against the dollar now fetching as much as 3,000 karbovanets.

Chornovil described as stupid statements by some politicians saying Sevastopol could be leased to Russia for a period of 99 years. He said the leasing of the city together with its population would worsen the territorial dispute instead of resolving it. Chornovil believes Kiev must negotiate only the possibility of leasing separate installations such as a military base.

Experts Support Laser, Gyroscopic Technology Development

AU0104164993 Kiev URYADOVYY KURYER in Ukrainian 30 Mar 93 p 3

[Unattributed report published under the rubric "Government Panorama": "Technology That We Can Be Proud of"]

[Text] Ukraine has a considerable scientific and production potential for creating modern laser and gyroscopic navigational technology. This equipment may become a matter of pride for our country and may emerge, on a large scale, on the international market. This was stated at a conference in Kiev organized by the Ministry of Machine Building, Military-Industrial Complex, and Conversion. However, its participants were concerned about the general state of affairs in the sector, which is, perhaps, the most science-intensive one in instrument making. This sector must develop dynamically and be adequately financed. It is necessary to see to it that highly skilled specialists stay, because if we let them go, it may vitiate all our previous achievements and considerably hamper further developmemt. In accordance with the conference's aims, Ukraine's Ministry of Machine Building, jointly with the relevant ministries and departments, is developing a comprehensive and systematic program for the development of navigation and gyroscopic technologies as a matter of priority.

Commentary Criticizes Plans To Ban Left-Wing Newspaper

AU0204142693 Kiev DEMOKRATYCHNA UKRAYINA in Ukrainian 26 Mar 93 p 1

[Commentary by Vitaliy Lukyanenko: "Mugging Glasnost"]

[Text] **New political repressions have been added up to all the hardships that the Ukrainian press is going through. The Democrats of Galicia are in the leading ranks in this campaign. The Ivano-Frankovsk Oblast Council has adopted the draft resolution banning the publication of the newspaper PRYKARPATSKA PRAVDA [CISCARPATHIAN PRAVDA] in the oblast as a basis.**

This is perhaps the only left-wing newspaper in the region, and the struggle against it has become an idee fixe for Galician democracy. Two years ago, PRYKARPATSKA PRAVDA was deprived of its premises, printing house, financing, and technical facilities. Its readers alone could not be taken away. The newspaper has been quite legitimately reregistered (the labor collective is its founder). It appears that it is precisely the thousands of subscribers in Ivano-Frankovsk Oblast and in the rest of Ukraine that those in power in the oblast are not happy with. These tens of thousands of people find out about the dirty deeds of corrupt leaders from PRYKARPATSKA PRAVDA.

Democrats have ultimately succeeded in submitting an obviously discriminatory resolution for the consideration of the Oblast Council session, and thus the Ivano-Frankovsk Oblast Council has become Ukraine's first organ of representative power that has resorted to unconcealed political repressions.

As has become known to us, the oblast Procurator's Office has ruled that the Oblast Council's decision was illegal and, if it is finally adopted, it will be appealed against. However, for some Democrats, there is no law.

Belarus

Supreme Soviet Session Postpones Security Treaty Debate

WS0104140193 Minsk Radio Minsk Network in Belarusian 1200 GMT 1 Apr 93

[Report by Mikhail Rudkovskiy]

[Text] [Rudkovskiy] In my opinion, the Supreme Soviet session has considered all the issues included on its agenda. However, a new issue has arisen, and the discussion on it has led to a stalemate. This is the joint security issue. Debates on this problem began yesterday and were not completed. Today, the session was held behind closed doors, although no such decision had been adopted by the deputies. Nonetheless I managed to talk to some deputies. I am talking to Deputy Vladimir Telezhnikov. Why is the session being held behind closed doors?

[Telezhnikov, in Russian] It was suggested by the Presidium, the Supreme Soviet chairman, to be more precise. The reasons are obvious. The Presidium and the Council of Ministers have not coordinated their policies on a number of basic political and economic issues. We are witnessing an attempt to alleviate this contradiction. Claims that the opposition is to blame for the current situation are groundless. No economic, political, or military political unions will solve the Republic's domestic problems. Today everyone is talking about the external factor, omitting the domestic problems. This is dangerous. The Republic lacks an economic strategy, and this is evident in all fields. The second quarter of 1993 may bring a collapse of manufacturers. So far, we have received only 50 percent of the budget. Yet, they prefer not to mention these things by using a regular political trick, by changing the subject, and blaming everything on the people who want to treat this issue in a wider dimension. This is not the way to do business.

[Rudkovskiy] I am talking to Deputy Vitaliy Malashka. What is your opinion on this issue?

[Malashka] In my view, the issue of Belarus signing the joint security treaty is purely political. The government has no plan with regards to the reorganization of the economy and carrying out the conversion of the military industrial complex. Thus, it is trying to lobby the joint security project. Most probably, there is no reason to do this, because it will not bring new contracts to our military enterprises. Russia's own military manufacturers' workload does not exceed 60 percent of their potential. A new European axis will appear—that of the Baltic states, Poland, and Ukraine. These states will turn to NATO for support. It may evoke a new opposition in Europe. There will be no neutral belt from the Baltic to the Black Sea. This may whip up a new arms race, of which the military industrial bosses are dreaming. This would mean cold war and military contracts again. This gives me grounds to believe that sober deputies will oppose the military union.

[Rudkovskiy] The situation has become complicated, indeed. It turned out that there was no quorum in the session hall. Moreover, the deputies who constitute the majority faction, were absent. There was no way to either continue or discontinue the session. At that moment, the Supreme Soviet Presidium led by its chairman, left the hall and went to discuss their further actions. A conference was held between the Presidium and representatives of the Council of Ministers. According to its decision, the issue of Belarus signing the joint security treaty had been ill-prepared and lacked the necessary expert opinion. There is a need for appropriate Supreme Soviet committees to work on it and elaborate a grounded conclusion. The legislature will convene on 8 April to consider this issue and adopt a resolution on it.

Further on Security Treaty

LD0204021593 Moscow ITAR-TASS World Service in Russian 1608 GMT 1 Apr 93

[By BELINFORM-TASS]

[Text] Minsk, 1 Apr—What happened at an extraordinary session of the Belarusian Supreme Soviet today could be regarded as an April Fools' Day joke if not for the super-seriousness of the situation. The parliament puzzled its electors yet again—only 117 people were registered—one third of the corps of deputies.

For two days the deputies had stormy discussions as to whether Belarus should join the Treaty on Collective Security of six CIS states, which was signed last May in Tashkent. Belarusian parliament head Stanislav Shushkevich did not sign the treaty in the Uzbekistan capital, explaining his decision by the fact that, since Belarus had firmly stated its intention to be a nuclear-free and neutral state, he did not have the right to sign the treaty without parliament's agreement. At the time the Supreme Soviet agreed to this position.

But at the current session emotions over the event, which was a year old, were running high. Advocates of the Treaty on Collective Security see the future of Belarus only in unity with Russia, in having an economic as well as military union. In their opinion, this was a demand of the enormous military-industrial complex of Belarus, which, with the loss of Russia as its ally, would lose profitable orders. This would lead to an inevitable bankruptcy of many enterprises and dozens of thousands of the unemployed.

Entry into the collective security system at this stage of the republic's development will not according to their interpretation be contrary to the Declaration on State Sovereignty. A group of experts considers that the declared goal—of making the republic into a neutral state—requires much time for its attainment and in no way restricts the the republic's action to ensure its security.

Opponents of signing the treaty found convincing arguments against this viewpoint. They consider that to enter into a military-political alliance with a country that is

virtually on the verge of civil war is complete madness. This part of the corps of deputies does not want to see the Belarusian people hostage to military confrontation. But the most important thing is that Belarus has earned respect in the international arena precisely by its adherence to a non-nuclear status and neutrality. In their opinion accession to the treaty in no way "fits in" with this policy.

Stanislav Shushkevich was forced to say: "I do not rule out the possibility that certain actions may be imposed upon me as chairman by the parliamentary majority which may be incompatible with my views and approaches to the problem of security. In that even I will draw the relevant conclusions. If I see that it is possible to find a constructive decision together I will act in the way decided by the Supreme Soviet."

However, parliament, which met today behind closed doors, did not decide anything. In the end the people's deputies decided to interrupt the work of the special session until 8 April.

Further on CIS Economic Alliance Negotiations

OW0104225393 Moscow INTERFAX in English 1508 GMT 1 Apr 93

[Report prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko; from the "Presidential Bulletin" feature—following item transmitted via KYODO]

[Text] On Wednesday [31 March], the emergency session of the Belarusian parliament completed discussion of Prime Minister Vyacheslav Kebich's report on economic contacts with CIS countries.

Summing up the results of the session, Vyacheslav Kebich said that during talks with CIS vice-premiers, the Russian delegation, led by Vice-Premier Aleksandr Shokhin, "supported our idea of an economic union." As a result of "complex negotiations," Russia has agreed not to introduce customs duties on goods exported to Belarus and confirmed oil supply quotas (16 Mn [million] tons for 1993).

Kebich angrily criticized the opposition factions' demand for the resignation of the prime minister. In his opinion, the criticism of the government's proposals by the opposition is nothing but a political farce. He urged the deputies once again to back the idea of creating an economic alliance.

Chairman of the Board of the National Bank of Belarus Bogdankevich said that the creation of a stronger economic union within the framework of the CIS, above all with Russia, does not bind anyone to establish a monetary union. "We might stabilize our financial system on the basis of a national currency, on the condition that a system of CIS bank payments and a clearing system are created," he said.

Out of the 233 deputies present at the session, 225 voted for the adoption of the resolution on the economic situation and the development of economic relations with CIS countries. This document instructs parliament chairman Stanislav Shushkevich and Vyacheslav Kebich to "begin urgent talks with states interested in economic integration with the Republic of Belarus and in the creation of an economic alliance." Belarusian leaders have been granted powers to conclude agreements on the annulment of the bilateral interstate clearing system, export and import duties, and trade quotas, and on the restoration of "coordinated internal prices" for energy resources, raw materials and other technical products.

The document also says that Belarus should hold talks with Russia and Lithuania on the extension to Belarus of long-term loans in 1993 worth not more than 500 Bn [billion] rubles (given the expected trade deficit with these countries).

The Belarusian parliament's next session, to begin its work on 18 May 1993, will listen to the report by the parliament chairman and prime minister on the implementation of the adopted resolution.

Kebich 26 Mar Address to Supreme Soviet

WS3103111193 Minsk Radio Minsk Network in Belarusian 0821 GMT 26 Mar 93

[Speech by Belarusian Prime Minister Vyacheslav Kebich at the emergency session of the 11th Supreme Soviet in Minsk on 26 March—live, in Russian]

[Text] Esteemed Chairman,

Esteemed People's Deputies,

It seems to me that my report today on such a complicated issue as the economic situation in Belarus and its relations with the CIS countries can be boiled down to the question: What should be done in order to get our Republic, its economy, and statehood out of this difficult situation, making 1993 a genuine turning point toward a normal development? Certainly, this is not the wish of the government alone. The whole nation has long been waiting for this. I would not be wrong to say that this is actually the key issue that defines the goals of both the executive and the legislative branches. Obviously, one has to thoroughly analyze the current economic situation in order to better understand the measures that the government has already taken and will take in the future. You are familiar with them in outline. In one way or another, it affects practically all the people on a daily basis, making them realize the gravity of the situation.

Although there were certain signs of stabilization last year, the production did not avoid a decline. The GNP decreased by 11 percent. This figure will not be lower in the first quarter of this year.

The budgetary and monetary issues remain unresolved. The issues of curbing inflation, implementing market

reform, creating conditions for competition, privatizing the state property, and promoting private initiative—all these problems are extremely complicated, but they are under the permanent control of the government, although failures and setbacks do occur. It is not so easy to stay the steady course in managing the current economic processes. The more so that the endeavor to achieve financial stabilization forces us to adopt a selective approach to subsidizing one or another sector of the national economy.

We must objectively devote most of our attention to the priorities that we have adopted. As you know, this is primarily food supplies, which will affect all of agriculture. Among other priorities are the fuel and energy system, social guarantees for the least protected groups of society, the issues of conversion, the maintenance of social and technological potential, and the social infrastructure. It is quite obvious that the decline in social production also limits possibilities for blocking negative phenomena in the economy. In the social sphere, we are still far behind the borderline beyond which rapid changes for the better start.

Nevertheless, the government has every reason to say that the measures adopted last year and in the first quarter of the current year enabled it to achieve perhaps the principal goal—our economy continues to function, its infrastructure has not collapsed, and it is actively struggling for survival. Despite the enormous difficulties, it is resolving the problem of the supply of fuel, energy, and resources. This is not so little under the current circumstances.

Thanks to the efforts of the authorities at all the levels and economic structures, we have managed to maintain a largely acceptable social fund in all of its key integral parts. I have in mind the fact that I have often mentioned: no one is starving or freezing here or is left at the mercy of fate by the state. Another thing is that both the state and the people have difficulties. All our efforts are directed toward cushioning these difficulties and facilitating people's lives. We can only do this if we manage to improve the economy and its main industries in a short time. This is how things are. And they are dramatic.

The decline in industrial production in January and February accounted for only 16 percent of the decline reported for the same period of the previous year. This is not surprising because in the beginning of the last year the [word indistinct] was quite high. Compared to the December figure, the average monthly output did not decrease. This means that there have appeared elements that are halting the decline. The more so that a very sharp decline was reported in all industries earlier, while the volume of production has leveled off. The oil refining, the chemical, the petrochemical industries, and the food industry certainly make the biggest impact. These industries, however, continue to experience great problems operating at full capacity, providing regular employment for the workers, and ensuring the viability of their enterprises. Production in the machine building industry has climbed 2.3 percent in the last two months. The output of cars, tractors, and other agricultural equipment has grown. It is clear that this does not happen all by itself. We have rendered financial assistance to a number of enterprises, including converted plants, electric equipment enterprises, the [word indistinct] plant, and several chemical plants. On the whole, the situation remains critical. Many enterprises are short of ferrous and non-ferrous rolled metals, apatite concentrate, benzol, and a variety of other products. The Mogilev enterprise Khimvolokno is working only at a third of its capacity. The main reason is frequent disruptions of raw material supplies.

The defense enterprises, however, have found themselves in the most difficult situation. They employ more than 200,000 people. The state has recently done much in supporting the converted plants and [word indistinct]. It has provided free financial support and given more than 5 billion rubles in preferential loans. Despite all this, many defense enterprises have found themselves on the verge of bankruptcy. The key reasons are their capacity problems and their narrow specialization.

The government and the Ministry of Resources [words indistinct] are adopting measures to relieve the situation. Shortages of black oil at our electric power stations are offset by additional supplies of Russian gas and nuclear power from Lithuanian and Russian plants. We have also stepped up the transition to natural gas at those power plants that currently operate on black oil.

Agribusiness complex:

The situation in the agribusiness complex is also difficult. The decline in agricultural production has not been halted. There was a 23 percent decline in the public sector of the meat and milk industry in January and February. Many farms are faced with great financial difficulties. The government has taken a number of measures to improve the situation, including payments to compensate for growing prices for the agricultural equipment, the reimbursement of half the expenses for the acquisition of fertilizers and plant protection chemicals as well as 30 percent of the financial resources spent on the fuel. This year, the state will pay the equivalent of 50 percent of the above-the-norm agricultural revenues, gained in 1991-1992. Preferential tariffs for electric power have been established. Half of the crop insurance expenditures of the farms will be compensated for. The decline in agriculture could be stopped to a large extent by the success of the spring sowing season. The Council of Ministers has adopted a number of relevant measures aimed at facilitating the sowing campaign by financial and material inputs. Additional funds have been allotted to purchase phosphoric and nitric fertilizers outside our Republic. In spite of all the difficulties, the sowing season is well supplied with fuel and lubricants. The government will continue to extend every kind of support to agriculture within the budget limits adopted at the Supreme Soviet session.

Construction:

In 1992, no sharp decline was reported in construction. The building materials industry retained its output at the 1991 level and even managed to increase production at certain items. Given the government's investment policy, based on customer demand, the construction program for this year will remain practically on the level of the previous year. Top-priority construction sites of state importance have been selected, which will be financed by the state resources, preferential credits, and enterprise funds. It is very important to stress here that under the current crisis, we have managed to preserve working teams and branches from the construction industry that will retain their value a long time from now.

On housing policy: As late as August 1991, the Council of Ministers approved a new concept of housing construction, and in October 1992 it examined the principles of the state housing policy of the Belarusian Republic in the new economic conditions. These documents laid a groundwork for the national housing program, which will be submitted to the Supreme Soviet this year. The goal of this program is to create a situation in which every family or citizen will be given a free choice of the most acceptable way for satisfying their housing needs, retaining the state's guarantees to provide housing for low-income groups. We have recently discussed the implementation of the housing reform. The government believes that the state should only be obliged to ensure housing for financially insecure citizens. All other categories must be given opportunities to buy or build their houses with their own finances. Preferential credits have been established to boost the private and cooperative housing. Difficult as it may be, the government and the National Bank will return to the issue of increasing credits for housing. The government has adopted a decision to provide all disabled war veterans—which amounts to 2,000 people placed on the waiting list as of 1 January 1992—with housing in 1993, and to provide all of the war veterans, families of war victims, and individuals regarded as such with housing within the 1993-1995 timeframe. We are also resolving the housing problem of servicemen and reservists.

The transport industry is experiencing very great [words indistinct]. The volume of transportation has shrunk by more than one third; the facilities have worn out, and many transport enterprises have found themselves in a difficult financial situation. The government is aware of transportation workers' needs and along with them seeks solutions to change the situation.

The situation in production industries directly depends on the accuracy of budget spending projections for the current year and the general condition of the budget. It also depends on their ability to accumulate and use credits as well as to settle payments with Belarusian and foreign enterprises. The budget for this year is being executed with great difficulty. In January and February, the budget revenues amounted to 157 billion rubles [R], which is 61 percent of the revenues planned for the first quarter. Yet the most important expenditures have been subsidized. R50 billion were earmarked for the agribusiness complex, R20 billion for social issues, R30 billion for Chernobyl. But this is only the beginning of the year. We suppose that the main difficulties lie ahead of us and that tough austerity measures and [word indistinct] finances remain of paramount importance.

On social policy:

About two-thirds of the current budget is earmarked for this sphere. I confirm the words of Stanislav Stanislavovich. The main directions of the social policy are [words indistinct], housing construction, the regulation of retail prices for major food staples, scholarships, benefits, pensions. Salaries of the employees in the educational sphere, health care, culture, and the construction of their facilities are paid according to the previous plans. Of course, you can cite quite opposite examples. As you know, we were again compelled to increase prices for meat, butter, public utilities, electric energy, and transport. Unfortunately, we will go much farther than that. At the same time, the government was forced to adopt a decision on compensation.

The process of price hikes, as you understand, is not yet over. It is continuing, and the task of the government is to ensure adequate social security measures, primarily for needy citizens. We have adopted a decision to increase the minimum wages and the first- grade tax bracket up to R4,500 and R5,000 respectively. In March, pensioners were paid 500 rubles. Beginning 1 April, minimum wage hikes will simultaneously increase all of the minimum [word indistinct]. The minimum pension according to age will be R5,625. Presently, the government is considering additional payments to pensioners, envisioned by the law on retirement security for heroes of the Soviet Union and holders of Glory of Labor orders of all three classes, which amount to 150 percent of the minimum pension. We believe it necessary to keep pensions in a steady and reasonable proportion with the pace of average wage increases. At the same time, it is important to balance pension expenditures with the revenues to the pension fund. In addition, another measure protecting pensioners is to freeze social insurance outlays of enterprises experiencing serious economic problems.

Special attention will still be paid to the provision of services for disabled people. Annual public transportation subsidies will be increased. The government has adopted a number of measures to improve [words indistinct] services.

[Words indistinct] foreign credits:

The government's foreign economic policy will be carried out in several directions. It will seek to:

1. Expand exports and satisfy import needs.

2. Attract foreign investments and set up joint ventures in order to introduce new technologies, create additional

jobs, and to learn new ways of production that would be competitive on the world market.

3. Establish extensive credit relations with foreign financial state and non-state organizations in order to ensure the profound restructuring of the economy; to resolve the urgent health care issues; to ensure sufficient food production; and to phase out ineffective imports. Over the past two years, export and import volumes were maintained on the planned, although still unsatisfactory, level. The main task here is to seek ways to boost our exports, which could replenish our currency reserves. As you know, this was the target of the recently adopted amendments concerning the 10-percent payments and the mandatory 20-percent sales requirement, keeping most of the hard currency at the enterprise. We believe that this will reduce barter transactions, which do resolve some of the corporate interests, but bring nothing to the state currency reserves.

Foreign credits is a special issue. Why does it arouse an excessive interest and overly free interpretations by certain people? I would like, at least briefly, to clear up this problem. The government has completed the examination of credit offers, also known as credit lines, for Belarus, totaling $1.5 billion. So far, these are merely credit lines, and not the money. As of today, the amount of [word indistinct] credits, embraced by contracts with foreign firms [words indistinct] bank agreements, with the participation of the government, equals $642.2 million. Of these credits, $310.6 million comes from Germany, $140 million from the EEC commissions, $38.8 million from the European Bank for Reconstruction and Development, and $23 million from the United States of America. Also, we will receive $128.8 million in credits for the grain purchases from the United States, the European Community, and Germany. The credits have been given for the period of three to 10 years, with an annual interest rate of slightly more than 3 percent. Payment terms of credits from Germany, the European Community, and the European Bank for Reconstruction and Development include a two- or three-year relief period for the principal debt, which means that we will not pay anything within this period of time. The German credit will finance modern technological equipment in order to reconstruct the Mozyr Oil Refinery and upgrade the refining process; to launch the production of new articles at the Khimvolokno Enterprises in Grodno and [word indistinct]; to furnish modern equipment for the textile industry enterprises and those manufacturing construction materials; and to purchase passenger railroad carriages. [passage indistinct]. $154.3 million are allocated for enterprises which will pay off the debts on their own. The remaining $156.3 million of the German credit line have been designated for socially significant projects. [Words indistinct] technological equipment for food processing plants, enterprises that manufacture spare parts for agricultural machinery, and the purchase of medicine and medical equipment, which will be repayed from the state currency fund. The credit lines of the European Bank for Reconstruction and Development are designed to develop and modernize the electric power network. The debts for this credit will be cleared off from the finances of the Communications and Information Ministry. The total of $258 million have been allotted for the purchase of grain, vegetable oil, sugar, and baby food, and $93 million for the purchase of drugs and medical equipment. [Words indistinct] about (?$400) million will be paid off from the state currency reserve. In order to reduce the outgoing payments the state currency reserve, a possibility is considered that the payment period will be extended for [words indistinct] in the most difficult years.

Of course, the available credits are not extensive enough to develop the economy and to resolve the urgent social issues. The government is currently working on soliciting new credit lines from Austria, Italy, Spain, Kuwait, and the International Bank for Reconstruction and Development. We plan to use these lines to finance only those investment projects that bring hard currency. Our foreign credit investments will be determined by the Republic's economic priorities. As required by Belarusian law, all projects will be subject to a thorough examination by the State Planning Committee, the Finance Ministry, the Department of Foreign Economic Relations, and the Currency and Credit Committee.

I would like to say that when we declared our independence, our total debt ran at about $3.5 billion. It has been repaid in full, and we have accumulated no debts since. We should not pay off the $3.5 billion portion of debt, proportionally imposed on each CIS state. We were the only country that has managed to get rid of this foreign debt.

As for the distribution of credits, I would like to state that credits are distributed openly at the meetings of the Currency Committee. These meetings are attended by leaders of enterprises, private entrepreneurs, and other individuals, banks, and also everyone who is eager to participate in this process. This is absolutely open and not hidden from anyone. Here is a witness who represented the Supreme Soviet there and with whom we discussed this issue in length and with great detail. [passage indistinct] The government proceeds from the concept that the total of our credit debts should not exceed 25 percent of hard currency revenues every year, which is considered a normal rate in the financial practices worldwide. I have dwelt on foreign credits very thoroughly so that there are no false rumors about this issue. We are ready [words indistinct] to present several documents to the Supreme Soviet and close this question.

Esteemed People's Deputies:

All our hopes that we will be able to radically improve people's material situation and strengthen the economy may remain only sweet dreams if we fail to stabilize production and find effective and well-functioning forms and methods of cooperation with our traditional former Soviet partners. We must face reality. It would be mad to ignore it.

Without playing down the need to establish and expand our cooperation with the West, especially with our closest neighbors in the Eastern Europe—I must admit that the government neglected this issue and will try to catch up with it in the near future—I must say that the sphere of our main economic interest is in Russia, Ukraine, Kazakhstan, and other CIS states. Let us turn back and see what the disruption of normal relations with our neighbors has brought us. Over some two years, the deliveries of oil, ferrous rolled metal, steel pipes, synthetic rubber, and [word indistinct] timber have decreased 1.5 to 2-fold. The supplies of natural [word indistinct] have fallen three-fold, cotton—1.5-fold, and grain—1.4-fold. The deliveries of such food products as sugar and vegetable oil have reached a critical point. And these are the main resources [words indistinct]. Most enterprises, especially in the machine building industry, are by 70-80 percent [words indistinct] deliveries [words indistinct] of spare parts and units from other regions. Approximately one-third of all the resources consumed by the national economy is imported. Their irregular deliveries result in great losses. It is not difficult to imagine how all this affects the results of production and prices for our finished products.

It is not realistic to make a large-scale entry on the Western market with our products today. The only thing left is to give priority to the markets where we feel that we can be valuable participants, that is in the regions of the former Soviet Union. With regard to the machine building industry, so far this is the sole market for it. Today, dozens of large enterprises, including the Belarusian tire plant, the Minsk car and tractor factory, as well as radio electronic and instrument making enterprises, are experiencing great difficulties in selling their production. This is largely caused by the price. It is quite possible that in the near future, the market for their products will continue to shrink as our traditional customers, first of all Russia, will develop their own production capabilities and stop importing. This would not be such a difficult thing to do, given their vast natural resources and the industry duplicating to a great extent the production of our enterprises, [words indistinct] by the military industrial complex.

The problem of growing economic autonomy has laid bare another extremely complicated issue—the settlement of trade accounts. At present, we have a passive trade balance with Russia, which can grow yet this year to R700 billion—in current prices, of course. This does not mean that we do not know how to trade. Mr. Bagdankevich will speak about this issue on behalf of the National Bank. In fact, prices for our exported goods have reached the world level. The problem lies somewhere else. The structure of our economy, mainly in industry, which for years has been formed under the Soviet system of labor division and specialization, is [passage indistinct] is favorable to us. If the issue of the balance of price relations had been regarded as central to the industrial structure and mutual deliveries, as the previous speaker has correctly noted, we would not have found ourselves in such a situation. It takes many years to overcome this disproportion completely. In addition, all kinds of resources are increasingly used as a means of exerting a strong price pressure, which in the situation of economic alienation acquires a monopolistic nature. Unfortunately, this is a commonplace practice in the market-oriented economy. At the same time, this does not mean that all possibilities are exhausted to ease this problem. The state will continue to regulate the volume of imported goods and reduce them within reasonable limits. We will promote the domestic production of the deficit goods. In cooperation with the National Bank, the government will develop a system of payments which would compel enterprises to reduce the share of imported components in their production process. The government has crafted such a program, and it is readily available.

But the most important thing is that the republics should agree with each other and coordinate their actions. We have both the political and the legal basis for such coordinated actions which does not contradict the Belarusian Declaration of Sovereignty and clause No. 7 of the Belaya Vezha agreement. I want to remind you that clause No. 7 speaks about the need for the establishment of a single economic space. At that time, when the Soviet Union was no longer in existence, we were anxious to keep the single economic space. Had we not done this, the consequences for our Republic and other republics' economies would have been much more difficult than what we are witnessing today. This vast economic space should have been filled with new content. So, the republics started to create new economic multilateral relations. A certain amount of time was needed to build up a completely new system of relations. This system of relations included the documents on economic and legal issues, on cooperation in the field of science, education, culture, and health protection. In addition, the government and some departments have concluded more than 100 agreements in concrete spheres of cooperation. But the number of agreements does not reflect the qualitative aspect of our relations. Many of the agreements are not being fulfilled. Furthermore, we have no agreement which is signed by all the heads of the CIS. Out of 70 documents touching the economy, bank and credit relations, and trade cooperation which were discussed at the sessions of the Council of the Heads of States and the Council of the Heads of the Governments, Azerbaijan has not signed 43 documents, Turkmenistan—28 documents, Ukraine—20 documents, Moldova—14 documents, Uzbekistan—6 documents, Russia—2 documents. But Belarus has signed all the agreements. The Belarusian Government and the Supreme Council were unanimous in their opinion to sign all the documents which were beneficial for Belarus and for the CIS countries. But not all the signed agreements are being fulfilled. The main reason is the lack of a legal basis for the CIS. The CIS is based on declarative acts and lacks the statutes and coordinative organs that can make decisions and control the implementation of the adopted decrees.

During the last year, the CIS experts were trying to bring together different approaches to functions and powers of the CIS coordinative and consulting committee for economy which will become the center for coordination within the CIS. In March 1992, at the Council of the Heads of Governments, I proposed to create such an organ within the CIS. Later, it was discussed four times at the sessions of the CIS Council of the Heads of States and the CIS Council of Heads of Governments. Experts from the CIS countries gathered about 10 times, but still we are at the beginning of our path.

One more example. Our state is experiencing great difficulties in the management of the economy. On 20 March 1993, in Kiev, the agreement "On the Solution of Economic Disagreements and on General Rules of Delivery of Goods Within the CIS" was signed. Even this agreement has not helped us much. So, we continued to look for the way out. On 6 July 1992, the heads of Armenia, Belarus, Kyrgyzstan, Kazakhstan, Russia, Tajikistan, Uzbekistan, and Moldova signed the agreement "On the Status of the CIS Economic Court." Time passed. This agreement did not work. Some states did not conduct any organizational changes to legalize the CIS Economic Court in their countries. On 9 October, in Bishkek, this issue was again under discussion. Even after this meeting, (?for several months) some states did not nominate their representatives for the CIS Economic Court and did not solve the issues of financing the court. So we could not elect the chairman of the court as well. Only on 4 March, 1993, was the chairman of the Economic Court elected.

By the way, the Supreme Soviet and the government were always unanimous in their decisions. The Belarusian party has signed all the CIS decisions. Analysis shows that the reason for CIS disagreements is not the position of some of the CIS members, but rigid economic ties connecting all the former Soviet republics. I will not speak in detail about all this, everything is quite clear. But an efficient economy cannot do without a favorable external economic situation. It should be clear to every sound person. The last agreement works with 50-70 percent effectiveness. [passage indistinct] In the Russian market, we were selling our traditional meat and milk products for higher prices than in the home market. So, we had huge profits. But obstacles exist within the CIS which hamper the signing of bilateral agreements. I mean clearing operations and our great dependence on the suppliers. I want to recall that the essence of the clearing operations is to supply each other with goods and raw materials at an equal rate and be free from financial obligations of one state in relation to the other state. When we had a single bank and a single financial system, our Republic had no problems. We always had a positive trade balance with other republics. Currently, all the republics have borders and multilateral agreements are not working. In January 1993, our debt to Russia amounted to 112 billion rubles. In the opinion of the government, the only way out is the economic union built on the multilateral basis. I am sure that we need such a union. But how to realize this agreement?

From the viewpoint of the government, the only solution is an economic union based on multilateral relations. I am sure we badly need such a union. After numerous multilateral negotiations on its implementation, the government has come to the following conclusion. This economic union should be an integrated organization with stable ties which allow the maintenance of stable cooperation in the sphere of production, the development of trade, and other forms of cooperation, taking into account the division of labor and the specialization of production. This is how we see the definite framework of this union.

First if all, it must be beneficial to all members. That is why much work on coordinating mutual interests is lying ahead. No one can have a unilateral advantage at the expense of other members because otherwise such a union will not be able to exist. Second, this union cannot do without a reliable legal framework. All norms that will be included in it must conform with international law and the laws of member states. Third, a fruitfully functioning mechanism should become another integral part of the union. It must be based on such common principles as the mandatory coordination of budgetary, credit, and monetary issues and their precise implementation. The regulation of border and customs issues must also become an indispensable factor. favorable conditions for the normal movement of goods and resources must be created. Fourth, in case of necessity, the members can regulate their relations with the help of both short-term and long-term local agreements. If someone does not like the word union, let us return to the concept of economic space, but only under the new conditions. Fifth, such a union will require a mechanism that can ensure its effective functioning. To this end, we must create a special body with definite powers that will consist of top officials who will possess the right to adopt independent and competent decisions. Sixth, it will be also necessary to create the systems of control and supervision and information. They will provide the governments with the information necessary to analyze the situation and adopt decisions.

All this, of course, is only a general framework for the economic union. If we start working on it, we will have to specify the details by taking into account the opinions of all parties. We have carried out some preliminary work and are ready to actively continue with definite issues concerning the formation of the union. In order to leave no space for any speculations, I would like to stress the following: The mechanism of interstate relations in the civilized world has been coordinated and tested through the decades. That is why the formation of any economic union does not affect their members' sovereignty. Such a union performs only one role—the strengthening of the national economy and the improvement of people's welfare. The creation of a voluntary union with other states fully conforms with Articles 10 and 11 of the declaration on the sovereignty of our Republic. If someone thinks that the creation of a new economic union is an easy job, he is absolutely wrong. Very hard

and complicated work of defending the interests of our Republic lies ahead. I repeat that there can be no advantages for one member and that all of them must come to an agreement of their own free will. Such a union should defend the economic interests of all members. The creation of the new union does not mean the destruction of the existing CIS system. This means the economic strengthening of the CIS. We should be aware of the interests of all states that wish to participate in the new union. This is how I understand this issue.

Dear people's deputies!

In conclusion, I would like to stress that the state of affairs in the Belarusian economy is extremely difficult. We should put aside all our political ambitions and games. They should not prevent our constructive work. These are not just abstract notions. We are personally responsible for the destiny of Belarus.

Military Battle Exercise Said Successful

WS0204080893 Minsk RID in Russian 0953 GMT 1 Apr 93

[Text] Recently, a Belarusian Army command and staff exercise concluded. The exercise was lead by Defense Minister General Colonel P. Kozlovskiy. The key goal—the improvement of the actions of headquarters and units concerning the management of troops under battle conditions—has been attained.

All details were thoroughly planned on maps beforehand. On the Borisov training grounds, troops landed from helicopters, including a reinforced landing company of paratroopers. General Major Nikolay Churkin, chief of staff and first deputy defense minister, who observed the exercise, assessed the Army's fighting experience as high.

Private, Public U.S. Aid Reported

LD0104195693 Minsk Radiostantsiya Belarus International Service in Belarusian 1800 GMT 29 Mar 93

[Text] In the next several weeks, a private American organization will be delivering medicines to Belarus. The U.S. Government allocates $500,000 for their purchase. Another 65 million [currency not specified] are added to the earlier allocated 9.560 million for development of the economy. Detection systems asked for by Belarus for border control posts will also be supplied. They are needed for control over dangerous and illegal materials.

Moldova

Citizen's Polled on Attitude Toward Moscow

MK0104114293 Moscow NEZAVISIMAYA GAZETA in Russian 1 Apr 93 p 3

[Aleksandr Tago report: "Chisinau Gambles on Boris Yeltsin, Not Wishing To Alter Established Relations With Moscow"]

[Text] A considerable majority of Moldova's population prefer Russian President Boris Yeltsin in the political dispute between the legislative and executive branches in the Russian Federation.

This claim is based on a public opinion survey which personnel of the National Sociology Institute of the Republic of Moldova conducted on 26 and 27 March.

The survey shows that responding to the question: "Who should lead Russia at the present moment?"—66 percent of those polled stated that the Russian Federation should be led by popularly elected President Yeltsin. Eight percent named Russian Federation Vice President Aleksandr Rutskoy. The Congress of People's Deputies was preferred by 26 percent of those polled.

Answering the question: "Do you think a possible armed conflict in Russia could threaten Moldova's security as an independent sovereign state?"—53 percent of the respondents said this could be "highly possible," 27 percent described this threat as "quite possible," 12 percent thought it "hardly probable," while for 8 percent this threat virtually does not exist.

The National Sociology Institute of Moldova tried to find out among the republic's population, in the course of the poll, what might be the reaction of the Dniester Moldavian Republic to possible changes in Russia's power structures. Responding to the question: "How, do you think, Dniester leaders will behave should General Rutskoy come to power?"—46 percent said that today's leaders of the self-proclaimed Dniester Moldavian Republic would provoke a fresh armed conflict, while 27 percent of the respondents do not doubt that the Tiraspol leaders would set new conditions for a political settlement of the Dniester crisis. Slightly more than 20 percent of those polled suppose that the Dniester Republic will adhere to its previous stance favoring federalization of Moldova. NEZAVISIMAYA GAZETA has already written that Tiraspol and Komrat think a new Moldovan confederation, in addition to Moldova, should be joined by the two new unrecognized republics, the Dniester and Gagauz republics.

As few as 5 percent of the 1,067 people polled are convinced that the Dniester Moldavian Republic leaders would agree with the Chisinau leaders' proposal. As of now, this proposal consists in granting special legal status to the Dniester's left bank, something, Tiraspol leaders believe, that cannot satisfy the Dniester Republic's population.

Opposition forces in the republic in the shape of the Christian Democratic People's Front have been showing dissatisfaction of late with Moldova's growing economic dependence on the Russian Federation. Many people think that economic dependence would necessarily be followed also by political dependence. Moldova's negative balance in its trade with Russia stands at 30 billion rubles [R].

While criticizing the republic's leaders for continuing economic relations with the East, and with Russia in particular, the opposition, which presses for uniting Moldova with Romania, does not propose any specific actions to be taken to stave off a national tragedy over the shortage of oil products. To provide fuel for its national economy, Moldova needs to have at least R40-60 billion in the immediate future to buy gasoline, diesel oil, and fuel in CIS countries. The situation could be eased by deliveries of oil products from neighboring Romania. Unfortunately, the Romanians' fuel situation is not much better. And those calling today for uniting Moldova and Romania and promising the population well-being and prosperity are being crafty to say the least.

The extreme impoverishment of the populace and lamentable plight of the economy are an advantage for those politicians who are hoping to capitalize on difficulties to "take the republic over across the Prut" as quickly as possible. That is one the one hand. On the other, the deepening crisis is being used by those who argue day in and day out that "Moldova cannot live without the CIS." Working between these two extremes is the Andrei Sangheli's government, which seems to take its cue not only from political changes but also from common sense, like the majority of population in Moldova.

Public Discussion Shows Differences on Draft Constitution

PM0104143193 Moscow IZVESTIYA in Russian 19 Mar 93 First Edition p2

[Svetlana Gamova report: "Moldovan Constitution Submitted for Nationwide Discussion"]

[Text] Chisinau—The Moldovan parliament has completed the preliminary debate on the first constitution in the history of the independent state and decided to present the draft for public discussion.

This kind of nationwide appraisal will help to clarify disputed issues, which threatened to create awkward situations when the discussion was confined to parliament. Fundamental differences have already manifested themselves with regard to the first article, which defines Moldova as a "national, sovereign, independent, unified, indivisible state." This wording has caused a number of deputies to protest—mainly representatives of the nonindigenous nation, who see it as discrimination against the ethnic minorities who make up one-third of the republic's population. Although a proposal to remove the word "national" from the article was not on the list of changes made to the draft, it will be published in the press together with other proposed amendments at the same time as the tex' of the constitution is published.

The draft confirms that a republic is to be the form of state system, while preserving the institution of the presidency. The president "is the guarantor of national independence and of the country's unity and territorial integrity;" he "monitors observance of the constitution and the proper functioning of public authorities"; and he is invested with broad powers—from appointing top statesmen to dissolving parliament and declaring general mobilization.

Democrat deputies and representatives of the People's Front faction are in favor of transferring these powers to the chairman of parliament, on the grounds that democratic institutions are undeveloped in Moldova and that there is a threat of a presidential dictatorship being established. On the other hand, the group supporting the president, which mainly consists of agrarians, sees strong presidential power as the solution to the deep economic and sociopolitical crisis in which Moldova now finds itself.

As far as parliament is concerned, discussions became most heated when the state language was being determined. Should it be Romanian or Moldovan? The first option was proposed by the draft constitution, after which a parliamentary majority introduced an amendment. It was adopted, and the attitude to it has clearly divided parliament into two camps: Those who support the president's policy of establishing Moldova as an independent state, and those who favor the unification of the two Romanian states.

The list of amendments proposed by individual groups of deputies includes another question of considerable importance to Moldova: the Dniester region. It is proposed to add the following to the article on administrative-territorial division: "The status of population centers on the Left Bank of the Dniester is to be established by constitutional law." A special proviso is also proposed for the south of Moldova, where the Gagauz form the bulk of the population.

Official Discusses Prospects of Solving Dniester Conflict

AU0104162493 Chisinau BASAPRESS in English 1822 GMT 31 Mar 93

[Text] Chisinau, BASAPRESS 31/3/1993—"The fourth commission for resolving the conflict from eastern regions of Moldova and localities that are densely populated by Gagauzians which was created according to the decision of Parliament from March, this year, does not propose anything different from the platforms of recent commissions," declared Nicolae Andronic, president of the Parliamentary Commission for Problems of Law, to the correspondent of BASAPRESS Agency. As Nicolae Andronic affirmed, this commission presently deals with problems of organisation and there will be the opportunity to talk about certain possibilities of action or directives only after meetings which are organised between the representatives of the commission and leaders of those regions. "It is difficult to foresee what we will manage to achieve," concluded Nicolae Andronic. The commission headed by Petru Lucinschi, chief of the Legislative body in Chisinau, is composed of two subcommissions. The president of the subcommission for Eastern regions is Nicolae Andronic and the president of

the commission for the localities that are densely populated by Gagauzians is Mihai Cotorobai, president of the Parliamentary Commission for Self-Administration and Local Economy.

Government Recalls Cadets From Romanian Military Colleges

LD0104174393 Moscow ITAR-TASS in English 1452 GMT 1 Apr 93

[By ITAR-TASS correspondent Valeriy Demidetskiy]

[Text] Chisinau April 1 TASS—The Moldovan Defence Ministry has asked Romania to send back its young citizens who are undergoing training in Romanian military colleges. In military circles of Bucharest this request has been interpreted in different ways, as it has come following scandalous publications in the Ukrainian press regarding the training of saboteurs by the Romanian Secret Service for the purpose of staging a coup in Moldova.

The Moldovan Ministry of Defence Press Service announced that a request of this nature was in actual fact made to the main military education inspectorate, but the text of the telegram was incorrectly formulated which led to its misinterpretation.

"As a matter of fact, it concerned an early recall of a limited number of cadets due to shortage of platoon and company commanders in the Moldovan National Army," the military department noted.

'Delaying' Attitude to Romanian Unification Criticized

AU0104162693 Chisinau BASAPRESS in English 1822 GMT 31 Mar 93

[Text] Chisinau, BASAPRESS 31/3/1993—Ion Sofronie, a spokesperson for the prime-minister of Moldova, in an article published today in the government newspaper "MOLDOVA SUVERANA," [Sovereign Moldova] declared that at a time when part of the national press pleads with fury for immediate unification with Romania, state authorities prefer to conduct themselves with the maximum "wait a minute." The author of the article supports his affirmation by citing Teodor Melescanu, the minister of state and the minister of external affairs, who made a speech at the meeting of the 23th of March during the work session of the Council for Coordination of Economical Relations between Moldova and Romania and of Interministerial Committee of Romanian and Moldovan relations. "Our relations with the Republic of Moldova proceed from the fact of the existence of two independent and sovereign Romanian states," declared Teodor Melescanu, cited by the author.

At the same time Ion Sofronie made references to Adrian Nastase, the president of the Deputy Chamber of the Romanian Parliament, who on the 26th November in the Parliament of Moldova made a proposal "to work together on the elaboration of new models concerning common efforts' towards increasing efficiency in growth in the direction of achieving cooperation between two independent Romanian states." The spokesman of the prime-minister of Moldova concludes that "important dignitaries from the right bank on the River Prut put the stress on the existence and prosperity of the two Romanian states and on increasing relations between them".

Republic Under Pressure in Trade, Financial Sectors

PM0204113393 Moscow IZVESTIYA in Russian 2 Apr 93 First Edition p 2

[Report by Svetlana Gamova: "Moldova Does Not Want To Leave Ruble Zone, But It Is Under Pressure To Do So"]

[Text] Chisinau—The situation in Moldova is as follows: Parliament is insistent that the republic introduce its own national currency. The government is parrying the deputies' constant attacks and is in no hurry to leave the ruble zone.

And it intends to stand its ground, at any rate as long as it is still possible to control the internal economic processes amid the general chaos.

The states that already possess their own currency unit have reserves of gold and foreign currency to guarantee exchange transactions. In Moldova, land, some of the best in Europe, and the existing industrial potential are seen as a guarantee. But industry has been suffering bad losses of late. The decline in production has reached 28.7 percent. The situation in agriculture is even worse. In the past three years production in the sector has been in headlong decline. Formerly geared mainly to the Russian market, the Moldovan agricultural complex finds itself in a difficult position.

According to the finance minister, "Fuel prices have eaten up all the republic's income from agriculture." The taxes and customs duties imposed by many states—Russia above all—are also hindering recovery. Moldova sees the level of taxes—between 40 and 100 percent—as "prevention of the passsage of goods to one another" and the loss of traditional markets. Foreign suppliers are taking advantage of this by importing their own products and selling them at dumping prices. In fact, Claudia Melnik believes, "there are other people occupying our market, condemning us to a further slump in production."

Moldovan wine products, which have long been highly valued on CIS territory, are being artificially prevented from reaching the Russian market.

According to the Moldovan Government, the problems could be ironed out if there were normal payments between the states. But, according to the Finance Ministry, "The policy of the Russian Central Bank has triumphed amid the chaos." On 1 January last year it unexpectedly switched to a new system of payments.

But, Melnik believes, it is perhaps more important today to protect the age-old mutual economic links than simply the economic interests of a particular state. So we are trying to remain in the ruble zone—but Russia is doing its utmost to pressure us into leaving it.

Kazakhstan

Nazarbayev Signs Decrees on New Navy, Reserves, Draft

LD0204101193 Moscow ITAR-TASS World Service in Russian 0853 GMT 2 Apr 93

[By ITAR-TASS correspondent Fedor Ignatov]

[Text] Alma-Ata, 2 Apr—Kazakhstan President Nursultan Nazarbayev issued a decree today on creating a navy within the Republic's Armed Forces.

The Ministry of Defense will present its recommendations on proposed sites for naval bases. Financial, food, materiel, technical, and medical provisions for the Navy should be met from the same funds as the Republic's Armed Forces.

The president also issued a decree today on transferring to the reserve servicemen who have completed their fixed period of service and on the upcoming April-June call-up of citizens of the Republic for Army service.

Further on Official Visit by Israeli Ministers

LD0104223093 Alma-Ata Kazakh Radio Network in Kazakh 2300 GMT 31 Mar 93

[Text] Yesterday, President Nursultan Nazarbayev received a delegation of Israelis, including businessmen, led by Science and Economics Minister Shim'on Shetrit, Energy Minister Amnon Rubinstein, and Knesset Deputy Chairman Ovadie Eli in Alma-Ata. During the meeting, a wide range of issues concerning the enhancement of bilateral trade and economic cooperation was discussed, and the specific construction and reconstruction projects by Israeli companies on a number of facilities in the agricultural sector, as well as food and pharmaceutical industries, of the republic was examined. Delegation members reported on the allocation of a huge specific purpose credit for Kazakhstan that was approved by the Knesset. This is the first time that the Israeli parliament has provided such guarantees to any state. The president pointed out the importance of the comprehensive development of cooperation between the business circles of Kazakhstan and Israel. Taking part in the meeting were Prime Minister Sergey Tereshchenko, Galym Abilsiitov, deputy prime minister and minister of science and new technologies, and Foreign Economic Relations Minister Syzdyk Abishev.

Yesterday, after finishing its work, the inter-government Kazakhstan-Israel Commission organized a meeting of the republican and foreign countries' entrepreneurs. A number of preliminary accords have been worked out on the development of business relations. For example, the Ministry of Science and New Technologies of the republic together with the Israel Institute for International Trade and New Technologies is intending to cooperate in the field of scientific and technical information exchange. The partners also agreed to give assistance in the sphere of education to Kazakhstan. The two sides plan to elaborate the projects of expanding satellite communication in Kazakhstan and mentioned the necessity of construction of the cable plant. Agreement has been reached to commence charter flights between Alma-Ata and Tel Aviv in the near future, which will be implemented by companies of both countries. The contacts promise to be fruitful in the field of agriculture, power engineering, gas and oil production, and other fields of industry. The concluding document of the inter-government Commission was signed by co-Chairmen Syzdyk Abishev and Shim'on Shetrit, Israeli science and economics minister.

Local Papers Hit by Russian Export Tax on Newsprint

PM0104133193 Moscow KOMSOMOLSKAYA PRAVDA in Russian 31 Mar 93 p 3

[Report by V. Komarov: "Paper Worth Its Weight In Gold"]

[Text] Karaganda—Newspapers in Kazakhstan are out for the count. The reason for this is the "Gaydar" decree which included standard newsprint in the list of goods subject to export tax when being exported from Russia. As a result, with the cost of one tonne of newsprint standing at 50,000 rubles [R] and a tax of R80,000, the "strategic raw material" is truly worth its weight in gold as far as Kazakhstan printing works are concerned.

What chance does the unofficial, independent press have when official publications are hard pressed? For instance, even INDUSTRIALNAYA KARAGANDA, subsidized by the oblast soviet, was forced to switch in mid-March to only two issues per week. And in so doing it shrunk to rayon newspaper format. Other "organs" have called for help and the fate of the few youth newspapers, which do not have rich patrons, appears to be in the balance again. For example, the Karaganda Oblast youth newspaper PYATNITSA [Friday] needs as much as R25 million if it is going to make ends meet and last until next year. Meanwhile local newspapers are filled with cartoons about the dire state they are in. In one of them a beggar, offering a crumpled sheet of paper to a respectable gentleman, still makes the bold claim: "Your newspaper, boss!" Although one recalls the time when, in a fit of zeal, local journalists were insisting on precisely the opposite.

Nazarbayev Plans Last Attempt To Resolve Ruble Zone Problem

LD0104180793 Moscow ITAR-TASS in English 1458 GMT 1 Apr 93

[Text] Alma-Ata April 1 TASS—President of Kazakhstan Nursultan Nazarbayev intends to undertake a final attempt at resolving the rouble zone problem at the

forthcoming meeting of CIS member countries scheduled to be held in Yerevan, the capital of Armenia, he said during a meeting with farming deputies of the republic.

According to the Kazakh president, the rupture of economic ties and disunity among CIS members is having a negative effect on the present situation in rural areas. Production has become paralysed due to the bad working of banks and many months taken in financial transactions, he said.

"In the near future I intend to propose to leaders of the republics who are signatories to the CIS Charter, to get together and find out, if it is worthwhile organizing a union of banks and raising the efficacy of credits. If not, we are left with only one alternative of introducing our own currency. Although the experience of the Baltic republics and others has shown that this is not so simple, as it seems to some people at first," Nursultan Nazarbayev said.

Tereshchenko Holds Talks With French Ambassador

LD0204163393 Alma-Ata Kazakh Radio Network in Kazakh 2300 GMT 1 Apr 93

[Text] Yesterday, Prime Minister Sergey Tereshchenko received Bertrand Fessard de Foucault, the ambassador extraordinary and plenipotentiary of France in Kazakhstan, at his own request. During the talks, the head of government informed the diplomat about the economic situation and the reforms that are being carried out in the republic.

The ways of implementing the agreements and accords achieved in the fields of economic cooperation between Kazakhstan and France during the visit of President Nursultan Nazarbayev to Paris was also considered. The mutual aspiration was expressed for taking practical measures on the activization of bilateral relations. In this context, the question of the visit of a group of French industrialists to Kazakhstan was agreed upon.

The ambassador informed the prime minister about the result of the parliamentary elections and changes in the composition of the French Government.

Taking part in the talks were Tuleutay Suleymenov, minister of foreign affairs; and Yevgeniy Yezhikov-Babakhanov, chairman of the Main Control Inspectorate under the republican president and co-chairman of Kazakhstan-French inter-government working group for economic cooperation.

Kyrgyzstan

Akayev Says Russian Situation Threatens Country

LD0104145593 Moscow Programma Radio Odin Network in Russian 1100 GMT 1 Apr 93

[Text] The Kyrgyzstan Supreme Soviet will soon hold its final debate on the republic's new draft constitution. This has been announced in Bishkek. Separation of powers between the authorities and the establishment of a legal basis for fundamental market reforms have a special place in the draft, which has already been published for nationwide debate.

Addressing a news conference on the new Constitution, Kyrgyz President Askar Akayev expressed concern at the deteriorating political situation in Russia. He said that forces opposing President Boris Yeltsin favored the restoration of a totalitarian regime. This also poses a threat to Kyrgyzstan, he said.

Government Preparing To Issue National Currency

LD0104211893 Moscow ECONOMIC NEWS AGENCY in Russian 1600 GMT 1 Apr 93

[Text] The Kyrgyz Government, in accordance with the agreement on the protection of the interests of the ruble zone states, has notified V. Chernomyrdin, chairman of the Council of Ministers—the Russian Government—that it will introduce a national currency in the next few months if individual states introduced national currencies. To this effect, the Republic of Kyrgyzstan prepared a draft agreement on settling monetary and credit relations between Russia and Kyrgyzstan.

Tajikistan

Authorities Accuse Opposition of Involvement in Deaths

LD0204134393 Moscow ITAR-TASS in English 1209 GMT 2 Apr 93

[By ITAR-TASS correspondent Galina Gridneva]

[Text] Dushanbe April 2 TASS— Tajik opposition forces were involved in the death of two Popular Front leaders—the accusations are being often voiced now by Tajik authorities.

The opposition is called the "enemies of the people" in Tajikistan, an expression borrowed from the Stalinist years of repressions. The first accusations that it was involved in the death of Sangak Safarov and Fayzali Saidov were voiced at a joint meeting of the Tajik Parliament and Government on March 30. Tajik leaders then reiterated the accusations during the funeral of the two Popular Front leaders in Kurgan-Tyube.

Official authoities denied press reports that the two men died in a brawl which erupted because of disagreements between them on the attitude to refugees returning home from abroad.

Deputy Interior Minister on Details of Safarov Slaying

PM0104140593 Moscow PRAVDA in Russian 1 Apr 93 p 1

[Interview with G. Blinov, deputy minister of internal affairs of Tajikistan, by Igor Lenskiy; date, place not given: "Tajikistan: Assassination Attempt or Quarrel"]

[Text] Tajikistan is in mourning. Funeral rallies attended by many thousands of people were held in Kulyab and Kurgan-Tyube yesterday. The republic has been shaken by the death of Sangak Safarov, the unofficial leader of the nation, and views its future with alarm. Is the horror of civil war going to return?

An operations-investigation group from the Prosecutor's Office, the Internal Affairs Ministry, and the National Security Committee is working at the scene of the incident. G. Blinov, Tajikistan's deputy interior minister, gave PRAVDA some of the details.

[Lenskiy] Gennadiy Vasilyevich, many people are convinced that the real cause of this incident is the power struggle inside the People's Front leadership....

[Blinov] The terrorist action took place at the Kuybyshev Sovkhoz near Kurgan-Tyube. According to the preliminary information six people died. The original version about a dispute between Sangak and his comrade in arms, field commander Fayzali Saidov, has not been confirmed. This was probably a stage-managed act of provocation designed to split the ranks of the People's Front of Tajikistan. Even worse—another attempt to set one part of the population against another.

[Lenskiy] But I saw for myself that Sangak had a reliable bodyguard—around 15 men armed with submachine guns!

[Blinov] The bodyguard had been reduced recently as the situation stabilized. Sangak considered the outskirts of Kurgan-Tyube his home turf and did not believe that anything could happen there. He became less vigilant and cautious. As is now clear, the assassination needed only two or three saboteurs.

[Lenskiy] Have the assailants been caught?

[Blinov] I cannot say before the final investigation.

[Lenskiy] How are the population and the opposition reacting?

[Blinov] On the whole the republic is calm today. The gunmen have gone to ground in Dushanbe. There are virtually no centers of armed resistance anywhere. As we can see, they are banking on individual terror.

Foreign Minister Says Ties With Russia Priority

LD0204090493 Moscow Mayak Radio Network in Russian 0400 GMT 2 Apr 93

[Text] The situation in Tajikistan has not deteriorated following the death of two Popular Front leaders, according to republic Foreign Minister Rashid Olimov. Regarding relations between Tajikistan and Russia, he voiced his hope that a bilateral agreement would be signed in April. He also said that links with Russia are Tajikistan's foreign policy priority.

Further on Situation in Khatlon Region

LD0104142893 Dushanbe Radio Dushanbe Network in Tajik 1200 GMT 1 Apr 93

[Text] As it was reported by the press office of the Council of Ministers, the situation in the region of Khatlon is, at present, under the control of the joint forces of the Ministry of Internal Affairs, the National Security Committee, and the Ministry of Defense. These forces have not recorded a single case of a law violation over the past 24 hours. Rumors that were spread in the town about conflict among the soldiers are baseless.

In the town of Kurgan Tepa [word indistinct] bodies have all begun work. All government establishments are operating in the town. Those who spread such rumors are [words indistinct]. In this connection, we demand that the people of Tajikistan should not believe such provocative rumors. The situation in [word indistinct] is completely under the control of government forces.

It must be pointed out that special attempts by the remainder of the opposition forces to destroy the people's peace still continue. However, all attempts are neutralized immediately by government forces. Government authorities in the above-mentioned districts have begun their work. The belief of the people in these forces is strengthening, and they help the government forces by revealing the headquarters, locations, and weapons of the opposition forces.

'Mass' Return of Refugees From Afghanistan Not To Occur

OW0204002593 Moscow INTERFAX in English 1639 GMT 1 Apr 93

[Following item transmitted via KYODO]

[Text] Officials from the Tajik Foreign Ministry said at a news briefing in Dushanbe on Thursday [1 April] that the expectations that Tajik refugees would return on a mass scale at the end of March and the beginning of April, immediately after Ramadan was over, had not come true.

According to the Foreign Ministry, there are at present some 90,000 Tajik refugees in Afghanistan.

The Foreign Ministry officials, Takhir Akhmedov and Bakhodur Burikhonov, said the death of Sangak Safarov,

chairman of the pro-government Popular Front, and Fayzali Saidov, a well-known field commander, could have had no effect on the solution of the refugee problem.

According to the Foreign Ministry, the refugees are mainly afraid to come back because there is no clear plan for their repatriation and no efficient interaction among officials in Russia, whose forces guard the Tajik-Afghan border, Uzbekistan, which has the largest crossing point—Termez, Afghanistan, and Tajikistan.

Officials Refuse To Allow Refugees To Return South

OW0204003093 Moscow INTERFAX in English 1844 GMT 1 Apr 93

[Following item transmitted via KYODO]

[Text] A column of 14 buses carrying 800 refugees, hoping to return home to Vakhshsky, Kabodiensky, Kolkhozabadsky and Kuibishevsky districts of the Khatlon area on Tuesday [30 March] was detained by Traffic Police when leaving Dushanbe and turned back. At the local Ministry of Internal Affairs "Interfax" was given the explanation that the measure was taken in order to avoid possible provocations from the armed militants, having connection to the recent death of the Popular Front leaders Sangak Safarov and Fayzali Saidov.

The official of the Dushanbe Executive Committee Ibodullo Rakhmatov told "Interfax" that the capital of Tajikistan has become sort of a staging post for all refugees in the republic. The flux of people to the capital does not stop for a single day. They all want to return home, mostly to South Tajikistan.

However, says I. Rakhmatov the problems of the refugees are cared for only in Dushanbe. Not a single local executive committee has offered transport and protection for those people as they head home. Therefore no exact date can be set by which the problem shall be resolved in the republic.

Authorities' Moves Against 'Dissidents' Reported

PM0104142593 Moscow IZVESTIYA in Russian 19 Mar 93 First Edition p 2

[Oleg Panfilov report: "First Political Prisoners in Tajikistan"]

[Text] Reports have been coming out of Dushanbe for the last few days on measures being taken by the republic authorities to quash any dissidents.

At first, Dushanbe Prosecutor Salomiddin Sharopov said that journalists were the main culprits in the Tajik tragedy and promised to personally control newspaper publications. Then it became known that measures were being taken to quash the activity of opposition parties and movements on the same grounds. It looks as if the new government has decided to get rid of its "so-called democrats" in the simplest way possible. The Law on Amnesty adopted in November last year has been forgotten, so too have the oaths and the kissing of the national flag.

In anticipation of legalizing the intention to get rid of all parties, with the exception of the Communist Party, Leninabad Oblast was swept by a wave of arrests at the beginning of January. Those arrested were the leaders of oblast and rayon organizations of the Democratic Party, the Islamic Party, and the "Rastokhez" People's Movement—some 30 people in all. Leninabad Oblast had escaped the fate of being drawn into the civil war, and members of the opposition had not compromised themselves in any way. But Tajikistan is evidently following Uzbekistan's example in suppressing any hint of dissatisfaction with its domestic and foreign policy. The Tajik General Prosecutor's Office has instituted criminal proceedings against opposition party leaders, while three television journalists and Mirbobo Mirrakhimov, former chairman of the Tajik State Committee for Television and Radio Broadcasting, who were seized in Kyrgyzstan and Turkmenistan, are being held at the Internal Affairs Ministry's Detention Center No. 1. They too stand accused of "inciting war."

The court hearing of the case of Dzhumaboy Niyezov, chairman of the Leninabad Oblast branch of the Democratic Party, came to a close 5 March. The Khudzhand City Court found the 46-year-old Tajik Technical University lecturer guilty under Article 234, Section 1 of the Tajik Criminal Code—"the illegal possession, storage, acquisition, and manufacture of firearms"—and sentenced him to seven years' imprisonment. Niyezov's defense lawyer, Validzhon Fayziyev, said that the case had been fabricated and that the court had failed to prove the charge.

The story began 13 January, when Dzhumaboy Niyezov was arrested at the university during studies with his students. After searching the party headquarters and Niyezov's apartment, the national security, militia, and Prosecutor's Office personnel set off for the grandfather's house, where Niyezov's family has been living recently. Ushakov Street was already cordoned off by 20 men wielding submachine guns, and the investigator, with no hesitation at all, immediately went to a cupboard on the veranda. There he found a cardboard box containing 30 cartridges for a Kalashnikov assault rifle and asked Niyezov to hold onto the find, but the latter refused and demanded an expert inquiry.

However, this tried and tested method employed by law enforcement organs worked during the arrest of Saidsho Akramov, deputy chairman of the Matchinskiy Rayon branch of the Democratic Party and head surgeon at the rayon hospital, who was found to have six cartridges in a bowl of candy. A grenade was discovered under the pillow of the wife of T. Ibragimov, a member of the oblast spiritual administration staff. In other democrats'

homes, cartridges have been found in vases of flowers or other places ill adapted as arms depots.

Throughout the five days of the court hearing, the lawyer kept to the condition not to focus attention on the political overtones of the trial. He asked the judge why the government decision to toughen measures to confiscate arms had affected just one house on a big street, this house just happening to be where the leader of the oblast democrats lives. Why accuse Niyezov, when another three adults live in the same house and the cupboard where the cartridges were "discovered" is accessible to anyone in the house? The lawyer's final words were: "I have been unable to prove that this is provocation, but the court has also failed to prove that the cartridges belong to Niyezov."

The political motive behind Dzhumaboy Niyezov's court trial is obvious, and Tajikistan—following in the wake of Uzbekistan, where Pulat Akhunov, former USSR people's deputy and member of the "Birlik" People's Movement, is in jail under an article of the criminal code—now has its first political prisoner.

Turkmenistan

Ashgabat 'Perturbed Less Than Others' by Russia

OW0104235993 Moscow INTERFAX in English 1844 GMT 1 Apr 93

[Following item transmitted via KYODO]

[Text] The recent session of the Congress of People's Deputies in Moscow should not be seen as a game or battle, with the notions of victory and defeat being entirely out of place, Turkmenistan's Deputy Prime Minister Boris Shikhmuradov told Interfax. He said that if there was no stability in Russia, others were bound to feel uneasy, but it was up to the Russians themselves to normalize the situation in the country. Shikhmuradov said the Russians must rally effort as soon as possible to try to resolve the main task of ensuring better living standards.

The Turkmenian official said the newly-independent republics of the former Soviet Union were linked so closely that they could not afford being indifferent to what was happening in Russia. Shikhmuradov said Russia was a big country and any major upheaval could lead to repercussions far beyond its boundaries.

However, he said Turkmenistan was perturbed less than others by what was going on in Russia. "We have our own position," he said, "and a certain amount of stability in the political, economic and social spheres. We have a certain amount of mutual understanding with Russia, and readiness to cooperate with her, which in itself gives grounds to regard somewhat optimistically the developments in Russia."

Government Gives Top Priority to Ties With Russia

LD3103183693 Moscow ITAR-TASS in English 1636 GMT 31 Mar 93

[By ITAR-TASS string correspondent Yeketerina Ryabinkina]

[Text] Moscow March 31 TASS—"Turkmenistan gives top priority to its relations with states of the former Soviet Union and first of all with Russia. We had become so close during the last seventy years of our history that it will be sheer madness to break off these ties artificially, and look for faults and guilts in them," Khalykberdi Atayev, foreign minister of Turkmenistan, said in an interview with the newspaper "DIPLOMATICHESKI KURYER" ("DIPLOMATIC COURIER"), a new bulletin published by ITAR-TASS.

Turkmenistan has acquired statehood during this period, adapted itself to the civilized world, and what is most important, has found a faithful and reliable friend in the Russian people, the minister emphasised.

Atayev named the open-door policy based on the principles of positive neutrality and non-interference in affairs of other states as Turkmenistan's foreign policy doctrine.

On the whole the republic's policy is aimed at activizing its economic potential as speedily as possible and in an efficient manner, the minister confided. According to him, "bilateral relations are the most efficient mechanism in which mutual commitments are fair and proper."

Inviting foreign states to cooperate, Turkmenistan with their help and in common interests counts on putting its resources in the service of mankind, Atayev said. As an example he cited the free supply of fuel gas, electricity and water to the republic's population as of January 1, 1993.

No suprastate superstructure is in a position to solve problems of any people, the minister said, explaining Turkmenistan's non-participation in a number of treaties and agreements with member countries of the CIS.

We are for close cooperation with CIS states on a diversified as well as on bilateral basis, he said. "But we do not see any historical prospects in the new commonwealth, if communicating vessels are replaced by artificial superstructures in the form of command and coordinating structures," the Turkmen foreign minister said.

Armenia

Baku Reports on Armenian Offensive in Kelbadzhar Denied

OW3103141093 Moscow INTERFAX in English 1259 GMT 31 Mar 93

[Following item transmitted via KYODO]

[Text] The Azerbaijani Defense Ministry's Information and Analytical Center reports that during the five-day offensive deep into Azerbaijan's Kelbadzhar region, Armenian units occupied 12 Azerbaijani villages. On Tuesday [30 March] this region was heavily shelled from Armenian territory. During the shelling several civilians were killed. Baku alleges that 80 Azerbaijanis were taken hostage, while the fate of ten more people was unknown.

Meanwhile, informed sources in Yerevan denied Baku's official reports about the Armenian offensive on the Kelbadzhar region. According to these sources, Armenian units penetrated into this territory during a counter-attack, launched in order to throw back the Azerbaijanis, who, from two sides, were trying to cut off the Mardakert region from the rest of Nagorno-Karabakh. Individual units of the Karabakh forces followed the retreating enemy up to the military bases in the Kelbadzhar region.

The conflicting parties also report about fighting in the region of the Lachin corridor. The Azerbaijanis are trying to cut off the only road linking Karabakh with Armenia. According to sources in Yerevan, by the evening March 30, the Azerbaijani offensive was checked. However, the road is being shelled from Azerbaijani Grad multiple rocket launchers and long-range artillery.

Yerevan also reports that three people were killed and one man wounded during the shelling by Azerbaijanis of the Karabakh center of Gadrut and of the neighboring village of Dudukchi. Villages in Armenia's Taush, Krasnoselsky and Idzhevan regions were also shelled. Baku reports that villages in the Kazakh, Zangelan, Kubatly, Lachin and Kedabek regions of Azerbaijan were also shelled from Armenia.

Army Denies Participation

LD0204123293 Moscow ITAR-TASS in English 1128 GMT 2 Apr 93

[By ITAR-TASS correspondent Tigran Liloyan]

[Text] Yerevan April 2 TASS—Armenia denied that its armed forces are engaged in combat activities on the territory of Azerbaijan. "The Armenian Army does not participate in combat activities conducted by self-defence forces of Nagorno-Karabakh", a spokesman for the Defence Ministry said on Friday [2 April].

Armen Dulyan informed that Azeri forces have unleashed a large-scale offensive on the Lachin corridor of late and used planes and armoured vehicles to attack the road connecting the enclave with Armenia.

Thus, "the issue whether Nagorno-Karabakh will be or will not be" was raised, he said, adding that the Lachin corridor is the only way connecting Karabakh with the outside world. If the road is closed no Armenians will remain in the enclave in several months, according to the spokesman.

The dangerous situation made Karabakh forces counter-attack and surround a major force of the enemy on March 31. Dozens of Azeris surrendered, a big number of tanks and other hardware was seized, as well as several railway cars full of ammunition, Dulyan said.

However, a corridor was left for the remaining Azeri troops to retreat. Karabakh forces do not impede the retreat and the evacuation of civilians. No helicopters with civilians were shot down, according to the spokesman.

Dulyan denied reports that Karabakh forces had advanced as far as Armenia. "There is no second corridor between Armenia and Karabakh", he said.

Karabakh Forces Reportedly Control Lachin-Kelbadzhar Roads

NC0104135393 Yerevan Armenia's Radio First Program Network in Armenian 1300 GMT 1 Apr 93

[Text] The military operations are continuing along the Lachin humanitarian corridor. The KARABAKH NEWS AGENCY reported that, having no other choice, the Nagorno-Karabakh Republic's [NKR] self-defense forces launched a counteroffensive on 31 March and surrounded the [name indistinct] unit of the Azerbaijani Army and [words indistinct].

Contrary to Azerbaijani claims, the population is not peaceful in this zone. NKR detachments have also taken control of the roads linking Kelbadzhar to Lachin. (?These roads) were being used to transport the Azerbaijani Army's military hardware and reinforcements to the (?Lachin zone).

It was also reported from Stepanakert that (Shikhur) and Karmirshuka in Martuninskiy Rayon, and (Igutlu) and Edillu in Gadrutskiy Rayon were shelled from Azerbaijan's Fizulinskiy Rayon last night. A number of residents were injured. The shelling also caused destruction.

Karabakh Calls on Azerbaijan To Halt Attacks, Recognize NKR

NC0104143993 Yerevan Armenia's Radio First Program Network in Armenian 1300 GMT 1 Apr 93

[Text] The Nagorno-Karabakh Republic [NKR] Supreme Soviet Presidium has appealed to the Azerbaijani parliament and the Azerbaijani people to halt the armed aggression against the NKR.

The appeal said the Azerbaijani leadership must eventually take tangible steps to peacefully solve the Karabakh problem, otherwise the prolongation of the conflict is fraught with disastrous consequences for both peoples.

Gegam Bagdasaryan, NKR Supreme Soviet press secretary, told a SNARK correspondent: We would like to hope that the latest serious failures experienced by the Azerbaijani Army on the Karabakh front will convince Baku that the problem cannot be solved by the use of force. The NKR exists as a state because it endured the test of time. This reality must be taken into account. I think Azerbaijan's recognition of the NKR would create a reliable foundation for the establishment of peace in the region and of good-neighborly relations.

Minister of State Discusses Nation's Gas, Oil Deposits

OW0204002493 Moscow INTERFAX in English 1639 GMT 1 Apr 93

[Following item transmitted via KYODO]

[Text] According to American prospectors, the Armenian mineral resources include 75 Bn [billion] cubic meters of gas and 200 Mn [million] tons of oil, Sepuh Tashdzhyan, Armenia's Minister of the State, told Interfax.

He recalled that prospecting for oil and gas has been underway for the past three decades in Armenia. About 55 wells were drilled, some of which yielded "tangible results." He said that the U.S. had appropriated $400,000 last October to resume the prospecting.

The U.S. geologists, the minister said, have spotted four most promising areas which store 64 Mn tons of oil and 32 Bn cubic meters of gas.

Tashdzhyan believes that these areas must be developed in two stages. At the first, at least four wells must be drilled to estimate the stores. This will take three to four months and $10 Mn. Armenia, the minister thinks, can have this amount and the necessary equipment from abroad. If gas is found close to the surface, then 15-30 MW power stations can burn it to generate electricity.

The second stage, Tashdzhyan said, will take two to three years and consume $100 to 200 Mn. This sum, he said, is not available now and so incentives must be provided for large oil producing and refining companies.

Tashdzhyan made it clear that under the best of circumstances Armenia will not be able to make full use of its natural stores of energy earlier than three to four years from now. For this reason he called for revitalizing the Armenian nuclear power station which, he believes, can resume operation in 18 months. "Without that station Armenia will collapse," he emphasized.

Azerbaijan

Gasymov: Russia Has 'Abiding Interest' in Conflict

NC0104175793 London Kanal-6 Television in Turkish 1630 GMT 1 Apr 93

[Text] Kelbadzhar is in flames. The Armenian offensive against Azerbaijan's Kelbadzharskiy Rayon is continuing with all its intensity. Azerbaijani Foreign Minister Tofik Gasymov replied to Kanal-6's questions on the situation in the region.

Gasymov said that before every peace talks the Armenians launch an attack. He added that Kelbadzhar is coming under air and ground attack. Emphasizing the strategic importance of Kelbadzhar, Gasymov said: As you know, once Lachinskiy Rayon falls to the Armenians, Kelbadzhar will be completed encircled. This means that no aid will be able to reach that region.

Asked if Russia was sincere in its effort to act jointly with Turkey to solve the problem, Gasymov replied:

[Begin Gasymov recording, in Azeri] I personally do not believe Russia is sincere on this issue. Russia has an abiding interest in the continuation of this conflict. Neither Armenia nor Azerbaijan have interest in this conflict; Russia is the only state interested in it. Russia apparently has no intention of leaving the Caucasus. Recently, Russia's first deputy foreign minister, Adamishin, said Russia will not leave the Caucasus easily. Russia's stay in the Caucasus depends on its stay in Armenia. This is why Armenia and Russia are allies. [end recording]

Foreign Ministry Statement on 'Scandalous' Armenian Attack

NC0104165593 Baku TURAN in English 1447 GMT 1 Apr 93

[Text] Baku Apr 1 (TURAN)—Today the Ministry of Foreign Affairs of Azerbaijan spread a statement which says that having violated the frontiers of Azerbaijan Republic the Armed Forces of Armenia organized an attack on a wide front in Kelbadzharskiy region. By morning April 1 twelve villages of this region were captured, about 30 villages and all the north part of Lachinskiy region were rounded up.

The regional centre of Kelbadzhar is being attacked from two directions: From Vardeniskiy region of Armenia and from Karabakh. The town is being constantly shelled and bombed. Kelbadzhar region is practically cut off the outer world. There are many casualties including women, old men, children. 60 thousand inhabitant region is under threat of destruction.

The Ministry of Foreign Affairs of Azerbaijan regards Armenian actions as a challenge to world association and notes that these actions contradict the dialogue of peaceful settlement of an issue.

It is stressed in the statement that the announced mobilization in Armenia and Karabakh says about the far reaching expansion plans of Armenian side.

The Ministry of Foreign Affairs of Azerbaijan pays attention of the world association on the scandalous things of Armenia violation of norms and principles of peaceful co-existence, the respect of sovereignty and territorial integrity of states and appeals to recognize Armenia as an aggressor, said in the statement.

Fighting Continues for Kelbadzhar

OW0204111693 Moscow INTERFAX in English 1054 GMT 2 Apr 93

[Following item transmitted via KYODO]

[Text] The Armenian forces continue attempts to seize Azerbaijani regional center of Kelbadzhar and cut out a second direct corridor from Nagorno-Karabakh to Armenia, the Azerbaijani Defense Ministry informed Interfax. The Azeri forces are engaged in fierce defensive combats against Armenians, who are moving towards Kelbadzhar from the side of both Armenia and Nagorno-Karabakh.

The Azerbaijani Defense Ministry reports that there are no civilians in the city. About 400 of them were evacuated on helicopters, part of the population left the city on their own when they had an opportunity to do so, and the rest are hiding in the neighboring forests.

The fate of about 40,000 people is unknown. Baku claims that instead of providing a humanitarian corridor for the evacuation of civilians, Armenian forces are chasing them. It is impossible to state the number of victims, said the Azerbaijani Defense Ministry.

In the morning April 2, additional Armenian units and combat equipment approached Kelbadzhar from the Vardenis region.

Kelbadzhar Road Reportedly Opened

NC0204122193 Baku TURAN in English 1119 GMT 2 Apr 93

[Text] Baku, 2 April (TURAN)—One of the roads connected Kelbadzhar with outer world, was disblockaded in the result of measures, undertaken last night, informs the TURAN correspondent from the zone of military activities. This fact made possible to begin evacuation of peaceful population from the regional centre and several villages of the region.

At president more than 10,000 people are registrated in the staff by refugees, in the region of Khanlarskiy of Azerbaijan. At the same time the fate of dozens of thousands people, taken into encirclement in Lachinskiy remains unknown. As the TURAN correspondent informs from Khanlarskiy the number of died and wounded men for today increases several hundreds of people.

Nevertheless, the road and the regional centre of Kelbazharskiy are subjected to continuous shellings from the side of the region of Vardenisskiy of Armenia, which impedes taking people out of the fire.

Last night infantry sub-units of the Armenian Army crossed mountain ridge, separated Kelbadzharskiy from the region of Vardenisskiy of Armenia and captured all villages and highs around the regional centre. The enemy settled on these highs "Grad" installations and artillery, which carry out continuous fire by the regional centre of Kelbadzharskiy.

Military reconnaissance of the Ministry of Defence of Azerbaijan informs that several dozens of tanks and armoured machines are concentrated in the region of Vardenisskiy of Armenia along the frontier of the region of Kelbadzharskiy. Military observers consider that it should be expected in the nearest time one more wild-scale [as received] attack on the region of Kelbadzharskiy from the side of the region of Vardenisskiy of Armenia.

Armenia Trying To 'Partition' Territory

MK0204105293 Moscow NEZAVISIMAYA GAZETA in Russian 2 Apr 93 p 1

[Aydyn Mekhtiyev exclusive report: "Kelbadzhar Threatens To Fall. Azeri Troops Continue Losing Positions"]

[Excerpt] [passage omitted] Azerbaijan's plenipotentiary mission in Moscow has issued a statement that reads: "While officials of Russia, leaders of the CIS countries and the whole world remain silent, Armenia has launched a large-scale operation to partition the territory of Azerbaijan." The invasion by Armenian troops of the territory of the Kelbadzharskiy and Lachinskiy Rayons of Azerbaijan, the document notes, means that the war has taken on a different qualitative dimension, and entered an especially dangerous phase.

Appearing on national television on 1 April President Elchibey admitted that Azeri Armed Forces are continuing to lose their positions in the zone of hostilities.

Parliament Appeals to UN, Claims Armenia 'Aggressor'

OW0204112293 Moscow INTERFAX in English 1054 GMT 2 Apr 93

[Following item transmitted via KYODO]

[Text] On Thursday [1 April], the parliament of Azerbaijan made an appeal to the UN and the CSCE, urging these organizations to condemn Armenia as an aggressor which poses a threat not only to peace in the Trans-Caucasus, but also in the Near and Middle East.

The appeal says that the Armenian forces' operations in Azerbaijan, above all in the Kelbadzhar region, indicate

that the Armenian leaders "have raised terrorism and genocide to the level of state policy".

The parliament also urged the world's most influential organizations to take measures to curb the aggressor.

On Friday, the Azerbaijani Foreign Ministry demanded that Armenia be qualified as an aggressor. It made a statement which says that all the measures envisaged by international law must be applied against it.

The Azerbaijani Foreign Ministry also qualified Armenia's actions as a manifestation of "disrespect for and challenge to the wold community, international law, inter-state relations and the commitments assumed by it within the framework of the UN and the CSCE" and as an attempt to "undermine the peaceful settlement of the Karabakh conflict by the CSCE".

Elchibey Signs Decrees on Military Draft, Discipline

OW0104205793 Moscow INTERFAX in English 1507 GMT 1 Apr 93

[Report prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko; from the "Presidential Bulletin" feature—following item transmitted via KYODO]

[Text] Abulfaz Elchibey signed a decree on drafting into active military service from April 1-20, those persons who were born between the years of 1966 and 1975, are 18 years of age by the day of their draft, and have no draft deferments.

The decree states that persons of draft age who are unable to serve in the army for moral reasons, such as religion or beliefs, will be called into alternative or "labor" service. The cabinet of ministers was instructed to take measures to implement the document.

With another decree the president commissioned the Internal Affairs Ministry (which is headed by Iskender Khamidov, who tendered his resignation a few days ago - IF [INTERFAX]) to help military commissariats quickly find and bring to justice those who dodge the draft or avoid the call to partial mobilization, as well as deserters and those fleeing the field of battle.

Yet another document was signed with the intentions of, according to the document's authors, increasing discipline in the army: a command that all military personnel currently on leave return to their units by April 5. With the same order, Elchibey, the supreme commander-in-chief of the republic's armed forces, cancelled all vacations until special orders are given.

The republic's military commissariat was instructed to submit information on deserters by April 5. The republic's draft commission will determine the validity of deferment rights received by persons due to health concerns.

The Defense Ministry was instructed to take necessary measures to reconstruct and repair military camps and barracks.

IF Note: This is not the first time the president of Azerbaijan has issued decrees on tracking down draft dodgers and deserters. He signed a series of similar documents last fall, when Armenian armed formations stepped up their military activities in Nagorno Karabakh. The document on alternative military service, however, has no precedent in the history of independent Azerbaijan. Officials view this as yet another indication of Elchibey's devotion to the ideals of democracy and religious tolerance.

Lezghins Opposed to Independence Protest 'Sadval' Actions

NC3103163993 Baku TURAN in English 1456 GMT 31 Mar 93

[Text] Baku 31 March (TURAN)—Several hundreds of members of the society of "Samur", joined Lezghins leaving [as received] in Azerbaijan, organized today picket in front of the Embassy of Russia in Baku.

Participants of the picket expressed their protest in connection with activity of the society "Sadval", which comes out for separation of northern regions from Azerbaijan and creation there the state of Lezghistan.

Participants of the picket passed adviser to the ambassador Gennadiy Konenko the statement of their organization in which they blame actions of the society "Sadval", registrated in Moscow.

Gennadiy Konenko informed participants of the picket that Moscow regards separative activity of "Sadval" as negative and comes out for territorial integrity of Azerbaijan.

Georgia

Parliament Asks UN To Stop 'Aggression' in Abkhazia

AU0204114293 Tbilisi Radio Tbilisi Network in Georgian 1800 GMT 1 Apr 93

["Appeal by the Parliament to the UN, CSCE, and international organizations for the protection of human rights"]

[Text] A [words indistinct] policy is continuing on a part of Georgian territory in Abkhazia that is controlled by (?units) of the Russian Army and groups of Gudauta separatists that is directed against peaceful Georgian citizens and those of other nationalities [words indistinct] (?Arbitrary) massive killings, shootings, and unprecedented (?danger) have forced the Georgian population to leave their places of residence.

The Georgian Parliament considers this policy [word indistinct] (?mass) aggression against our state that is

aimed at violating the territorial integrity of Georgia and [word indistinct] our independence. Entire responsibility for this [word indistinct] policy rests with [words indistinct] in order to realize their own imperialist aims [words indistinct]

The Georgian Parliament calls upon international organizations to (?take) effective measures in order to stop the aggression against Georgia [words indistinct] on the territories (?controlled by) Russian [word indistinct] forces and Guduata's formations [words indistinct] Georgian population.

World Community Urged To End Aggression

OW0104224493 Moscow INTERFAX in English 1843 GMT 1 Apr 93

[Following item transmitted via KYODO]

[Text] The Georgian parliament called on the UN, CSCE, and international human rights organizations "to take effective steps to put an end to aggression against Georgia and protect the Georgian population within the Russian troop- and Gudauta separatists-controlled part of Abkhazia." The address, adopted Thursday [1 April], says that in Abkhazia, which is one part of Georgia, "a policy of ethnic cleansing is pursued which took the shape of genocide against the civilian Georgian and non-Georgian population." The address speaks of "systematic mass shootings and unheard-of persecution of the Georgian population."

The Georgian parliament regards this policy as a continuation of aggression which threatens the territorial integrity and independence of Georgia. The blame is put on Russia which, according to the address, "for its imperialistic designs backs the groupings of Gudauta separatists."

The parliament also set up a commission which will contact the Gudauta leadership on the matter of evacuating the Georgian population from areas under control of Abkhazian militias.

Gudauta 'Extremists' Resume Attacks on Sukhumi

AU0104135293 Tbilisi Radio Tbilisi Network in Georgian 1300 GMT 1 Apr 93

[Text] At 1010 [0610 GMT] on 1 April 1993, Gudauta extremists again opened fire upon residential districts of the city of Sukhumi. There is destruction and there are casualties.

As a result of bombings from the air and earlier artillery shelling from positions on the other side of the Gumista River, 110 peaceful residents have been killed and hundreds injured. Eight residential houses have been destroyed.

The command of the 2nd Army Corps has warned the Gudauta separatists for the last time that, if they continue to bomb the city of Sukhumi from the air and ground, retaliatory fire will be immediately opened from the army corps's weaponry.

Tbilisi Threatens 'Crushing Blow'

LD0104190693 Moscow ITAR-TASS in English 1745 GMT 1 Apr 93

[By ITAR-TASS string correspondent Noi Kamkia]

[Text] Sukhumi April 1 TASS—Five residents of Sukhumi were wounded on Thursday [1 April] during Abkhazian shelling of the city, according to the command of the Georgian forces in the Abkhazian capital.

Intensive shelling of Georgian positions and the city began after noon. Three shells exploded in downtown Sukhumi, several apartment houses were damaged. Ten shells exploded in a new residential area.

Shelling resumed later in the day. Three shells again hit the centre of the city and damaged several buildings.

Early on Thursday the Georgian command in Sukhumi warned Abkhazian guerrillas that if shelling of the city continues, Georgian forces will deal a "crushing blow" on Abkhazian strongholds which are situated mostly in populated localities.

The responsibility for that will be born by Abkhazian leaders, the command said.

14 people were killed and 29 wounded in the shelling of Sukhumi by Abkhazian forces in the last two weeks of March.

Abkhazian Leader Rules Out Talks With Georgians

LD0104165093 Moscow ITAR-TASS in English 1419 GMT 1 Apr 93

[By ITAR-TASS correspondents Igor Gvritishvili and Albert Kochetkov]

[Text] Tbilisi April 1 TASS—Vladislav Ardzinba, chairman of the Gudauta-based Abkhazian Parliament, categorically rejected the proposal of Georgian authorities to negotiate a peaceful settlement of the conflict in Abkhazia.

Aleksandr Kavsadze, head of the Georgian delegation, twice called Ardzinba from Sukhumi on Thursday [1 April] and both times received a categoric refusal to begin negotiations.

Ardzinba cited no reasons for his decision, TASS learned from the Georgian delegation.

Ministry Denies Russians 'Humiliated' in Sukhumi

LD0104145493 Moscow ITAR-TASS in English 1241 GMT 1 Apr 93

[By ITAR-TASS correspondents]

[Text] Tbilisi April 1 TASS—The Georgian Foreign Ministry denied reports that anti-Russian moods have sharply increased in Georgian controlled Sukhumi.

The statement by Aleksandr Chindarov, deputy commander of Russian airborne troops in Georgia, that "Russians are humiliated, insulted and searched", was also denied by the Georgian Armed Forces in Sukhumi.

Life is hard in the front-line city of Sukhumi, but the burden is equally shared by Georgians, Russian, Abkhazians and Armenians, a spokesman for the Armed Forces said.

Chindarov told TASS by telephone from Sukhumi on Wednesday [31 March] that all Russians were registered by the military commandant's office and are not allowed to leave the city. Under the pretext of searching for weapons Georgian militants break into their homes and rob them, the general said, adding that there were cases when Russians and Armenians were forced to go to the frontline to collect the wounded and dead.

According to official statistics, 15 Russian families remained homeless in Sukhumi as a result of shelling.

Residents' Situation 'Sharply Deteriorating'

LD0204055793 Moscow Mayak Radio Network in Russian 0400 GMT 2 Apr 93

[Text] Abkhazian sources are reporting that the situation of Russians, Armenians, and Abkhazians living in Sukhumi is sharply deteriorating. It is claimed that they are being forcibly sent to the front line to evacuate the wounded and remove the dead. Georgian soldiers are smashing their way into houses and flats, threatening people at gunpoint, and confiscating furniture, clothing, and valuables. The booty is taken away to Tbilisi, Poti, and other towns. Residents' lack of any rights is made worse by the lack of electricity, water, gas, and shortages of food. There is no medical assistance available. Under the pretext of enforcing secrecy rules, the local authorities are banning trunk phone calls and use of the postal system. This is a report from the Ima-Press agency.

Russia Trying To Justify Military Action

OW0204111393 Moscow INTERFAX in English 1053 GMT 2 Apr 93

[Following item transmitted via KYODO]

[Text] After more than 7 months of shelling of Sukhumi by Gudauta extremists and their backers, the toll is estimated at 109 killed, 24 of them Russians, and 326 wounded, 61 of them Russians". The figures were announced in a statement made by the pro-Tbilisi Abkhazian government in response to remarks by lieutenant-general Aleksandr Chindarov, a deputy commander of the Russian air-borne troops, about the violation of the rights of ethnic Russians in Sukhumi.

The document stresses that "General Chindarov's baseless claims aim at justifying for the public in Russia and elsewhere a military action being energetically prepared in Gudauta to capture Sukhumi".

Georgian Troops Step Up Shelling on Abkhazian Front

LD0204122693 Moscow ITAR-TASS in English 0938 GMT 2 Apr 93

[By ITAR-TASS correspondent Sergey Ostanin]

[Text] Moscow April 2 TASS—Georgian Government troops on Friday [2 April] stepped up the artillery bombardment at the line of Georgian-Abkhazian confrontation. The former seismic laboratory of the Russian military as well as upper and lower Eshery populated areas were shelled, according to a report by the press service of the Abkhazian parliament.

In Ochamchire District, bombing strikes were delivered on the positions of Abkhazian guerrillas and a number of villages. According to the same source, the Georgian side lost a tank, an armoured car as well as two trucks with personnel during meeting engagements.

Law Stipulates Prison Terms, Death for Mercenaries

AU0104185493 Tbilisi SAKARTVELOS RESPUBLIKA in Georgian 24 Mar 93 p 1

["Republic of Georgia Law on the Introduction of Additions to the Republic of Georgia Criminal Code" issued in Tbilisi on 17 March]

[Text] The Georgian Parliament **decrees:**

1. To add the following to the contents of Article 66 prime one of the Republic of Georgia Criminal Code (Proceedings of the Georgian SSR Supreme Soviet 1961, No. 1, Paragraph 10) ratified on 30 December 1961.

"Article 66 prime one. The participation of a hired person in armed conflicts and combat actions.

"The participation of a hired person in an armed conflict or combat actions on the territory of a foreign country with the aim of receiving a material reward or some profit or such participation with other ulterior motives, if this person is not a citizen of that country or does not live permanently on its territory and does not have the authority to carry out official duties by that state that is not participating in the armed conflict or combat actions,

"is punishable by imprisonment for a period of five to eight years.

"The same act, if it results in particularly great damage or other serious consequences,

"is punishable by imprisonment for a period of seven to 12 years.

"The act stipulated in the first part of this article, if it results in human casualties,

"is punishable by imprisonment for a period of eight to 15 years or by death."

2. This law comes into force upon publication.

[Signed] **Eduard Shevardnadze, chairman of the Georgian Parliament-head of state**

Vakhtang Goguadze, speaker of the Georgian Parliament

[Dated] **Tbilisi, 17 March 1993**

Estonia

President Says Russian Hardliners Step Up Pressure

OW0104225993 Moscow BALTFAX in English 1837 GMT 1 Apr 93

[Following item transmitted via KYODO]

[Text] Estonian President Lennart Meri says Russian hardliners have been stepping up pressure on his country.

In a speech at the Royal Institute for International Relations in London, he spoke of increasing pressure on Estonia and of the need for western countries to counter this.

Meri believes the international community is in the face of three main priorities: to try to convert Russia into a normal democratic state, to secure independence by the former Soviet republics and to transform European security so that it serves to aid in resolving the two previous tasks.

The President gave reassurances to his audience, many of them foreign diplomats accredited in London, that there were no incidents of human rights violations in Estonia.

Latvia

CSCE Nationalities Official Discusses Russians' Rights

OW0104225593 Moscow BALTFAX in English 1714 GMT 1 Apr 93

[Following item transmitted via KYODO]

[Text] Max van der Stoel, the CSCE commissar on national minorities had to revisit Estonia and Latvia, this time in response to statements made by Foreign Minister Andrey Kozyrev and Defense Minister Pavel Grachev of Russia on violations of the rights of the Russian-speaking population in those countries, informed sources in the Latvian parliament told Baltfax.

As reported earlier, van der Stoel had arrived in Riga from Tallinn late March 31. The next day he had a meeting behind closed doors with Anatolijs Gorbunovs, Latvian parliament chairman.

The commissar told Gorbunovs that following his first visit to Estonia and Latvia in mid-December he believed that the ethnic relations in those countries were not over-strained and the problem was somewhat inflated. But he took the Russian statements seriously and felt that he had probably to revise his earlier impression.

Max van der Stoel said that he will submit his conclusions to the CSCE governing bodies which will within 10 days make recommendations to the governments of Estonia and Latvia. That correspondence, he said, will most probably be confidential.

The commissar said that he intended to pay regular visits to Estonia and Latvia.

On Thursday [1 April] van der Stoel discussed the situation of ethnic Russians in Latvia with Aleksandr Rannikh, Russian Ambassador in Riga.

The commissar also intends to meet with Aleksey Grigoryev, one of the leaders of the Support Latvia Front and author of numerous articles in the western press on ethnic relations in Latvia, with top officials of the Immigration and Citizenship Department, the parliamentary human rights commission, leaders of political parties, and representatives of national minorities.

Meets Gorbunovs

WS0204095193 Riga LETA in English 1503 GMT 1 Apr 93

[Text] Riga, April 1 (LETA)—Anatolijs Gorbunovs, chairman of the Supreme Council of the Republic of Latvia, met with Max van der Stoel, councellor on issues of ethnic minorities on the Conference of Security and Cooperation in Europe, who was on his second visit to Latvia. Max van der Stoel said that his visit was brought about by the political situation in Russia and a concern caused by recent allegations by several Russian officials of the grave situation of the Russian minorities were facing in Latvia and Estonia.

The Latvian head of state briefed the councellor on the current situation in Latvia, pointing out that there was not seen any aggravation in relationship between political forces during the first phase of pre-electoral campaign in Latvia. Anatolijs Gorbunovs added that one of four voters was of non-Latvian origin.

Later on Thursday [1 April] Max van der Stoel met also with the Russian Ambassador to Latvia Aleksandr Rannikh and the Swedish Ambassador Andreas Adal.

Russian Commanders Promote Withdrawal of Troops

LD0104175893 Moscow ITAR-TASS in English 1409 GMT 1 Apr 93

[By ITAR-TASS correspondent Galina Kuchina]

[Text] Riga April 1 TASS—Head of the Latvian delegation to talks with Russia Janis Dinevic believes that commanders of the North-West Group of Russian Troops handle the situation which emerged in Latvia in connection with the presence of the Russian Army in Latvia with understanding and actually promote the troops withdrawal.

In an interview with the DIENA newspaper, Dinevic said that some 10,000-12,000 servicemen out of 27,000 Russian servicemen stationed in Latvia can abandon the country during this year.

Dinevic is convinced that addressing a conference of NATO defence ministers in Brussels, Russian Defence Minister Pavel Grachev wanted to draw attention of the West to the problem of housing construction for Russian officers.

'Latvian Way' Coalition Presents Platform

OW0104225793 Moscow BALTFAX in English 1715 GMT 1 Apr 93

[Following item transmitted via KYODO]

[Text] Representatives of the election coalition The Latvian Way met with journalists Thursday [1 April] night presenting their platform to them.

The coalition stated that it acknowledges only one way for Latvia to join the European community - through preservation and further development of its integrity.

The coalition proposes that Latvian citizenship could only be granted selectively following the elections to the republic's new Sejm.

The Latvian Way was created on February 28, 1993 by the liberally-oriented "Club 21" socio-political organization (which incorporates a number of deputies of the parliamentary faction of the Latvian Popular Front, cultural workers and businessmen) together with the Free Latvian League and the parliamentary faction "Satversme." On March 3, the "Satversme" leader exited from the coalition, however, indicating that they did not mind it if some of its member chose to stay in it.

Journalists were told on Wednesday that at present the coalition has 19 members of parliament in its ranks.

Servicemen Allowed To Run for Parliament

OW0104215493 Moscow BALTFAX in English 1715 GMT 1 Apr 93

[Following item transmitted via KYODO]

[Text] On April 1 Latvia's Central election commission confirmed the order of the Latvian servicemen's participation in the parliamentary elections this summer.

They are allowed to run for the candidates to Sejm' deputies in case they receive an unpaid leave. They are not allowed to wear uniform during this period of time. Holding of pre-election meetings in the units is also prohibited.

MI-2 Helicopter Training Flights Begin

LD0104150793 Riga Radio Riga Network in Latvian 2000 GMT 31 Mar 93

[Text] On Wednesday the Latvian Air Force began the planned training flights with MI-2 helicopters. Beginning 5 April it is envisaged to carry out training flights with the L-410 transport planes presented by Germany. For the time being the flights will be carried out from the Spilve Airport [in Riga]. Beginning in May the Defense Ministry's naval and air forces will start controlling Latvian airspace for the entire length of the sea border. The control will be realized through regular patrol flights and communicatiion with naval ships which will be on patrol in the Gulf of Riga and the Baltic Sea.

Lithuania

Russian General Says Withdrawal on Schedule

OW0104215893 Moscow BALTFAX in English 1836 GMT 1 Apr 93

[Following item transmitted via KYODO]

[Text] The withdrawal of Russian troops from Lithuania goes according to schedule, stated the Ministry of Defense of Russia Representative, General Major Sergey Petrov, who is in charge of the withdrawal.

At the March, 31 meeting with the plenipotentiary of the Lithuania Government on troop-withdrawal issues, Stasys Knezys ,the Russian general, informed that he has no orders so far to halt the withdrawal of troops.

S. Knezys says the tempo of the pull-out over the last week has been quite high. Since the schedule was endorsed on September, 8 last year, approximately 40 percent of all troops have returned to Russia. Currently about 14 thousand troops remain on the territory of the republic, making up 4 divisions and 50 minor units.

In an interview to the "Respublika" newspaper S. Knezys said that the command of some units being withdrawn have requested permission for some unarmed troops to enter the republic to assist in the preparation for the withdrawal. S. Knezys said such permission shall be granted "should Russia's military abide by their obligations."

He says, he would rather allow 300 unarmed soldiers into the republic than tolerate the presence of whole regiments for an additional 2-3 months.

Russia To Supply Gas Until Prime Ministers' Meeting

OW0104222193 Moscow BALTFAX in English 1715 GMT 1 Apr 93

[Following item transmitted via KYODO]

[Text] Lithuania continues to receive the same quantities of Russian gas in spite of the "Lentransgaz" promise to cut gas supplies in half beginning on April 1 if its debt for the three preceding months is not repaid.

General Director of the "Lietuvos dujos" (Lithuanian Gas) state enterprise Zenonas Vistinis told Baltfax on Thursday [1 April] that Lithuania is still receiving on the average 9 Mn [million] cubic meters of gas a day. Lithuania's debt for the Russian supplies amount to 21-22 Bn [billion] Lithuanian coupons.

In the words of Mr Vistinis, Lentransgaz's warning remains in force, while, in his words, it will not be enacted, at least, before the Russian and Lithuanian prime ministers complete their meeting in St Petersburg this Friday. In addition to the other issues, the parties are expected to address the problems of mutual payments between the two countries and the purchase of power resources from Russia.

Foreign Ministry Protests Polish Border Restrictions

WS0204094393 Tallinn BNS in English 0855 GMT 2 Apr 93

[Text] Vilnius, Apr 01, BNS—The Lithuanian Foreign Affairs Ministry expressed "concern and protest" about the "unilateral actions" of Polish customs officers and border guards on Lithuanian- Polish state border.

The Polish border officials introduced additional restrictions on entering Poland at midnight March 31. Poland enacted the new rules without notifying Lithuanian authorities in advance.

The new entry procedures are applied to citizens of Lithuania and some other countries. People entering Poland have to pay one million zlotys or an equivalent in convertible currency (70 U.S. dollars or 90 German marks).

The action conflicts with the bilateral Lithuanian-Polish agreement on points of crossing the border. According to the agreement, the procedures of crossing the state border can be changed only after an exchange with respective notes, press bureau of the Lithuanian ministry said.

The ministry says such actions "do not correspond to the neighborly relations between Lithuania and Poland" and expresses hope that Poland's official institutions will take "immediate measures to improve the current situation."

Vilkaitis Said Possible New Ambassador to U.S.

WS0204093893 Tallinn BNS in English 0850 GMT 2 April 93

[Text] Vilnius, Apr 01, BNS—Lithuanian President Algirdas Brazauskas intends to appoint actor Remigijus Vilkaitis as Lithuania's ambassador to the United States, two Lithuanian newspapers reported, referring to various sources.

So far, consent to this appointment has not been received from the United States. Vilius Kavaliauskas, press attache of the Lithuanian parliament, said Thursday [1 April].

"I think, if the president does not appoint Vilkaitis ambassador in Washington by April 1, this appointment will not take place later," Kavaliuskas said.

Both Vilkaitis and Stasys Lozoraitis, current ambassador to the United States, ran for presidency in Lithuania this year. The actor withdrew from the presidential race a few days before the campaign started.

This appointment would be a kind of a compensation to the former rival of the president, the daily Lietuvos rytas said.

Lithuanian Central Movement To Form New Party

WS0204144493 Vilnius ELTA NEWS BULLETIN in English 1352 GMT 2 Apr 93

[From ELTA "NEWS BULLETIN" No. 219]

[Text] Yesterday at a press conference, the leader of the Lithuanian Central Movement Romualdas Ozolas said that his movement is forming a new Central Party of Lithuania. Members of the movement are consulting various central-wing organizations and movements. The meeting of the Lithuanian Central Movement will be held in May, next week Romualdas Ozolas is going to organize a political discussion.

The leader of the Central Movement criticized the Government's programme which, according to him, is absolutely insufficient and reminds others of texts presented by separate ministries, rather than of an activity plan drawn by politicians. It is a dangerous tendency when the government apparatus dictates the reality of political behavior, he said.

In Ozolas' opinion, the Prime Minister Adolfas Slezevicius acted very honourably while restoring his membership in the LDLP. Now everyone will know which party is responsible for the country's economic order.